

NEW APPLICATION



0000162191

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

SUSAN BITTER SMITH, CHAIRMAN
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE

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AZ CORP COMMISSION
DOCKET CONTROL

2015 MAY 29 P 4:22

RECEIVED

IN THE MATTER OF THE APPLICATION
OF GARKANE ENERGY COOPERATIVE,
INC., AN ELECTRIC COOPERATIVE
NONPROFIT MEMBERSHIP
CORPORATION, FOR A DETERMINATION
OF THE FAIR VALUE OF ITS PROPERTY
FOR RATEMAKING PURPOSES, TO FIX A
JUST AND REASONABLE RETURN
THEREON, AND TO APPROVE RATES
DESIGNED TO DEVELOP SUCH RETURN
AND REQUEST FOR WAIVER.

DOCKET NO. E-01891A-15-

E-01891A-15-0176

APPLICATION AND
REQUEST FOR WAIVERS

Arizona Corporation Commission

DOCKETED

MAY 29 2015

DOCKETED BY

Garkane Energy Cooperative, Inc. ("GEC" or "Cooperative") by and through undersigned counsel, and pursuant to A.R.S. §§ 40-250 & 40-251 and A.A.C. R14-2-103(B)(3), hereby makes application to the Arizona Corporation Commission ("Commission") for a determination of the fair value of its property for ratemaking purposes, to fix a just and reasonable return thereon, and to approve rates, charges, and tariffs designed to develop such return, and for approval of a Prepaid Service Tariff, a Net Metering Service Tariff, and a Line Extension Policy that are consistent with terms and conditions applicable to GEC's member/customers located in Utah (or 89% of its member/customers). The Cooperative also submits for re-filing its Electric Service Regulations that have been on file with the Commission since 1998 (corrected for typographical errors and factual updates as to GEC's name and primary business location). To allow for more uniform rates and terms of service system-wide, the Cooperative seeks a waiver of any and all Commission rules inconsistent with the rates, tariffs, and regulations approved in this docket, including, but not necessarily

1 limited to, the following provisions of the Arizona Administrative Code: R14-2-207 (Line
2 Extensions); R14-2-2301 *et seq.* (Net Metering); and relating to Prepaid Service, R14-2-203.B
3 (Deposits), R14-2-209.A (Meter Reading), R14-2-210 (Billing and Collection), and R14-2-211
4 (Termination of Service), as well as the Cooperative's Electric Service Regulations Numbers
5 19 (Form and Execution of Service Agreements), 20 (Term of Service Agreements), 21
6 (Expiration or Renewal of Service Agreements), 22 (Company's Right to Cancel Service
7 Agreement or to Terminate or Suspend Service), 47 (Billing Periods), 51 (Payment of Bills),
8 and 53 (Charge for Restoring Service) relating the Cooperative's provision of Prepaid Service.

9 In support of its Application, GEC states as follows:

10 1. GEC is a Utah non-profit member-owned corporation authorized to do business
11 and provide electric service in both Utah and Arizona.

12 2. All of GEC's customers residing within its service area (in both Utah and
13 Arizona) are eligible to be members of the Cooperative and to vote for its Board of Directors.
14 Attached to this Application is a Certificate of Good Standing from the Commission as
15 **Attachment 1** to this Application.

16 3. GEC holds a certificate of convenience and necessity from the Commission
17 pursuant to A.R.S. § 40-281 *et seq.* to provide distribution electric service to areas within
18 Mohave and Coconino Counties, Arizona, and its provision of electric service in Arizona is
19 subject to the jurisdiction of the Commission.

20 4. As of December 31, 2013 (the test year used in this proceeding), GEC was
21 serving approximately 12,844 customers of which 1,439 customers (or 11 %) were located in
22 Arizona.

23 5. GEC services a rural service territory covering approximately 16,000 square
24 miles, meaning that, on average, GEC has 1 customer per square mile of service territory.

25

1 6. GEC's business office is located at 120 W. 300 Street, Loa, Utah 84747 with a
2 mailing address of Post Office Box 465, Loa, Utah 84747. Its main telephone number is
3 (435) 836-2735, and its main facsimile number is (435) 836-2497.

4 7. The Cooperative's primary business contact is Mr. Dan McClendon, its Chief
5 Executive Officer. The persons responsible for directing and overseeing this Application are
6 Mr. McClendon (dan@garkaneenergy.com), Mr. Marcus Lewis
7 (marcus@garkaneenergy.com), GEC's Finance Manager and Mr. David W. Hedrick of
8 Guernsey, Engineers, Architects and Consultants, its rate consultant. Mr. Hedrick may be
9 contacted at 5555 North Grand Boulevard, Oklahoma City, OK 73112-5507, phone number
10 (405) 416-8157, and email address david.hedrick@guernsey.us.

11 8. **All communications concerning this Application, including, but not limited**
12 **to, discovery and data requests should be directed to William P. Sullivan and Morgan R.**
13 **Holmes of Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C., 501 East Thomas Road,**
14 **Phoenix, Arizona 85012-3205, phone (602) 393-1700, facsimile (602) 393-1703, and**
15 **email at wsullivan@cgsuslaw.com and mholmes@cgsuslaw.com with copies to Mr.**
16 **Lewis and Mr. Hedrick.**

17 9. GEC's present rates, charges, and regulations were approved by the
18 Commission in the following Decisions:

- 19 • No. 61105, dated August 28, 1998 (rates, charges, and electric service
20 regulations);
- 21 • No. 69915, dated September 27, 2007 (line extension policy);
- 22 • No. 70979, dated May 5, 2009 (special power adjustment charge for
23 Colorado City); and
- 24 • No. 50266, dated September 18, 1979 (Purchase Power Adjustment
25 Mechanism ("PPAM")).

1 10. GEC has on file with the Commission optional rates and terms for cogenerators
2 and small power producers and has a Curtailment Plan on file pursuant to A.A.C. R14-2-208.
3 GEC is requesting updates of these tariffs be approved as part of this Application.

4 11. GEC's current and proposed tariffs are included as **Attachments 2** and **3** to this
5 Application.

6 12. As set forth in the Direct Testimony of Mr. David Hedrick, attached hereto as
7 **Attachment 4** and the Direct Testimony of Ms. Rebecca A. Payne, attached hereto as
8 **Attachment 5**, and the applicable supporting schedules required by A.A.C. R14-2-103.B
9 attached hereto as **Attachment 6**, GEC is seeking a \$152,128 **decrease** in adjusted test year
10 revenues from operations (or a 3.3% decrease) to enable it to meet operating expenses, repay
11 its financing and make betterments to its system in order to maintain adequate and reliable
12 electric service throughout its service area, including its Arizona certificated territory and to
13 create nearly uniform rates, charges, rules, and policies throughout its service area.

14 13. GEC's adjusted system-wide OCRB and FVRB for the test year ending
15 December 31, 2013 is \$60,782,310; its adjusted operating margin is \$1,171,743 on adjusted
16 test year revenues of \$23,603,288 and its return on its adjusted FVRB is 4.33%. GEC seeks a
17 system-wide increase in revenues of \$799,289 to offset a power cost increase of \$792,887
18 that went into effect January 1, 2015.

19 14. GEC's Board of Directors has approved new rates for its Utah
20 member/customers that were effective May 1, 2015 and has directed this Application be filed
21 seeking the Commission's approval of proposed rates for Arizona that are structured similar
22 to the rates approved for Utah.

23 15. Based upon the cost of service study performed by Guernsey, and reflected in
24 Schedule G-1.1 of Attachment 6, the Arizona only adjusted test year OCRB and FVRB is
25

1 \$9,651,805; its adjusted operating margin is \$594,535 on adjusted test year revenues of
2 \$4,561,894.

3 16. As reflected on Schedule G-2.0 to Attachment 6, the requested system-wide
4 increase in operating revenues will provide the Cooperative a system-wide return on its
5 \$60,782,309 FVRB of 5.65%, a system-wide operating margin of \$1,971,032, and a system-
6 wide Operating Times Interest Earned Ratio ("TIER") of 2.34. The Arizona-only portion of
7 the system will reduce operating revenues to \$4,409,765, providing operating margins of
8 \$434,686 and a rate of return of 7.04% on its Arizona FVRB of \$9,651,805.

9 17. This Application is based upon a test year ending December 31, 2013 adjusted
10 for known and definite changes. While the Commission might ordinarily view this test year
11 as somewhat stale, it is a reasonable and appropriate test year, as adjusted, for establishing the
12 fair value and just and reasonable rates for GEC at this time. Importantly, GEC has
13 experienced little change in the size of its system, customer base, electric usage, staff,
14 revenues, or operating expenses, except for the change in purchase power costs that were
15 effective January 1, 2015. Moreover, calendar year 2013 was the most recent audited data
16 available to GEC when it received notice that Deseret was increasing its power costs effective
17 January 1, 2015 – GEC's single largest operating expense. Despite immediately initiating a
18 rate analysis and using the readily available audited calendar year 2013 data, GEC was not
19 able to complete the rate review and hearing process in Utah and place new rates in effect
20 until May 1, 2015 – a delay of five (5) months after the new power costs were effective.
21 During this period, GEC's operating margins were eroded and, had the condition persisted,
22 GEC's ability to maintain a reasonable Times Interest Earned Ratio, adjusted for known and
23 definite changes, would have been adversely impacted.

24 18. By Decision No. 73620, dated December 12, 2012, the Commission ordered
25 GEC not to offer time-of-use rates at that time, effectively granting GEC an indefinite waiver

1 to Decision No. 69736 (requiring implementation of time-based rate schedules). This
2 application seeks approval of a residential time-of-use rate in those locations GEC has the
3 technical ability to implement such a rate.

4 19. As part of this application, GEC seeks approval of:

5 A. A prepaid service tariff that follows the terms and conditions of those the
6 Commission has approved for Sulphur Springs Valley Electric Cooperative and Trico
7 Electric Cooperative;

8 B. Revisions to its line extension policy so the same line extension policy
9 applies system-wide and a waiver of A.A.C. R14-2-207;

10 C. A net metering service tariff that is identical to the net metering service
11 tariff approved for use in Utah (i.e., for 89% of its customers) and a general waiver of
12 A.A.C. R14-2-2303; and

13 D. Affirmation of the Rules for Electric Service that have been on file with
14 this Commission since 1998.

15 20. Included with this Application and in support thereof are:

16 A. Rural Utility Service ("RUS") Form 7 (pages 1 – 7) for the years ended
17 December 31, 2013 and 2014, as **Attachment 7**;

18 B. GEC's most recent Audit Report, included as **Attachment 8**;

19 C. The applicable schedules required by A.A.C. R14-2-103B for a Class B
20 utility, as **Attachment 6**, including:

21 i. A schedule comparing revenues by customer classification for the test
22 year, at present and proposed rates, included as **Schedule H-3.0**; and

23 ii. A schedule listing long-term debt obligations, included as **Schedules D-**
24 **2.0 and D-2.1.**

25

1 WHEREFORE, Garkane Energy Cooperative, Inc. respectfully requests the
2 Commission:

3 A. Accept this Application as sufficient in accordance with A.A.C. R14-2-
4 103B;

5 B. Enter a procedural order establishing the notice requirements, setting this
6 matter for hearing, and setting forth the procedure for processing this Application in as
7 expeditious manner as possible;

8 C. Determine the fair value of GEC's utility plant and property for
9 ratemaking purposes, fix a just and reasonable return thereon, and establish rates and
10 charges to develop such return, including the tariffs set forth in **Attachment 3** hereto;

11 D. Grant the requested waivers as set forth herein; and

12 E. Grant such other and further relief as the Commission deems
13 appropriate.

14 RESPECTFULLY SUBMITTED this 29th day of May, 2015.

15
16 CURTIS, GOODWIN, SULLIVAN,
17 UDALL & SCHWAB, P.L.C.

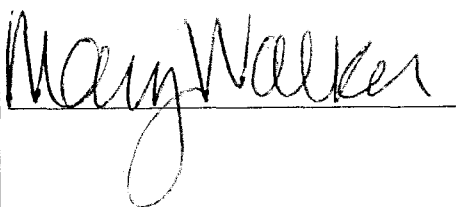
18
19 By: Morgan R. Holmes
20 William P. Sullivan, Esq.
21 Morgan R. Holmes, Esq.
22 501 East Thomas Road
23 Phoenix, Arizona 85012-3205
24 Attorneys for Garkane Energy
25 Cooperative, Inc.

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PROOF OF AND CERTIFICATE OF MAILING

I hereby certify that on this 29th day of May, 2015, I caused the foregoing document to be served on the Arizona Corporation Commission by delivering the original and thirteen (13) copies of the above to:

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007



ATTACHMENT 1

STATE OF ARIZONA



Office of the CORPORATION COMMISSION

CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Jodi A. Jerich, Executive Director of the Arizona Corporation Commission, do hereby certify that

*****GARKANE ENERGY COOPERATIVE, INC.*****

a foreign nonprofit corporation organized under the laws of Utah did obtain authority to conduct affairs in the State of Arizona on the 27th day of December 1957.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation has not had its authority revoked for failure to comply with the provisions of the Arizona Nonprofit Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-3122, 10-3123, 10-3125, & 10-11622, has been delivered to the Arizona

This certificate relates only to the legal authority of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 26th day of May, 2015, A. D.




Jodi A. Jerich, Executive Director

By: 1239178

ATTACHMENT 2

ORIGINAL

GARKANE POWER ASSOCIATION, INC.

TARIFF NUMBER COGEN-1

OPTIONAL TARIFF FOR SUPPLEMENTARY, STANDBY AND MAINTENANCE
POWER SALES TO QUALIFYING FACILITIES EXCEEDING 100 KW

I. AVAILABILITY

Available to all qualifying facilities (QF) exceeding 100 kilowatts (KW) within the certificated service territory of Garkane Power Association, Inc. (GARKANE) where such Facilities are of an adequate capacity and are adjacent to the point of delivery.

II. APPLICABILITY

Applicable to cogenerators and small power producers with generating facilities exceeding 100 KW that qualify under the Public Utility Regulatory Policies Act of 1978 (PURPA) as a QF consistent with the regulations established under 18 CFR, Chapter I, Part 292, Subpart B of the Federal Energy Regulatory Commission (FERC) Regulations.

III. SUPPLEMENTARY POWER

A. Definition of Supplementary Power

Supplementary power is the KW capacity and related kilowatt hours (KWH) of energy purchased by the QF in excess of the production capability of the QF's generating equipment.

B. Rates

The rates charged for supplementary power shall be the current rate schedule of GARKANE which is applicable to meet the QF's supplementary needs for service or such other rate as agreed to by the parties.

C. Determination of Supplementary Energy

Supplementary energy shall be equal to the KWH metered to the QF, less any KWH billed as standby or maintenance energy.

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IN COMPLIANCE WITH
DECISION #: 57106

EFFECTIVE OCT. 1, 1990

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Determination of Supplementary Demand
Supplementary demand shall be the greater of:

1. The metered demand, measured in accordance with the Associations applicable rate schedule, less any standby and maintenance demand;
2. Or, the minimum billing demana specified in the QF's contract.

IV. STANDBY AND MAINTENANCE POWER

A. Definition o: Standby and Maintenance Power

Standby and maintenance power is the KW capacity and related KWH energy purchased by the QF attributable to forced or scheduled outages by the QF, respectively.

B. Rates

The reservation or demand charge for standby power shall be as specified in Attachment A per KW of billing demand per month. The monthly demand billed shall be that specified in the Standby and Maintenance Contract. The rate applicable to standby and maintenance energy shall be as specified in Attachment A per KWH at the Point of Delivery.

C. Determination of Standby Energy

Standby Energy is defined to be the electric energy supplied by GARKANE to replace energy ordinarily generated by the QF's generation facility during unscheduled full and partial outages of said facility.

Standby Energy is equal to the difference between the maximum power output of the QF's generator(s), as specified in the Standby and Maintenance Contract, and the power measured on the QF's generator meter(s) for the billing period, except those periods where power supplied by GARKANE is zero.

D. Determination of Maintenance Energy

Maintenance Energy is defined as the energy supplied to the QF during a Scheduled Maintenance Period. Maintenance Energy is the maximum output capability, as specified in the Standby and Maintenance Contract, times the maintenance hours in the Scheduled Maintenance Period.

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IN COMPLIANCE WITH
DECISION #: 57106

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Scheduled Maintenance Periods shall not exceed thirty (30) days and must be scheduled during off peak months. The QF shall supply GARKANE with a maintenance schedule for a twelve (12) month period at least sixty (60) days prior to the beginning of that period. This schedule shall be subject to the approval of GARKANE. Maintenance energy used in excess of the authorized thirty (30) day period shall be billed as supplementary power as set forth in Section III.

E. Adjustments to Standby and Maintenance Energy Rates

During the last week of each calendar month GARKANE shall notify the QF through its designated representatives of the rate applicable to the standby and maintenance energy based upon incremental costs to the delivery point of the QF for the subsequent calendar month. Such rate shall replace the energy rate set forth in paragraph IV.(B) above.

F. Standby and Maintenance Power Limitations

The forced outage factor will be adjusted annually based on the actual performance of the qualifying facility. The actual forced outage rate will be applied retrospectively to the preceding twelve (12) months as well as serve as the estimated forced outage factor for the current year.

V. BASIC SERVICE CHARGE

The monthly Basic Service Charge shall be the service charge contained in GARKANE's applicable rate schedule for supplementary power sales

VI. CONDITION OF SERVICE

Service to QF's under this rate schedule are subject to the negotiated terms and conditions set forth in the contract between GARKANE and the QF.

VII. INTERCONNECTION CHARGES

The QF shall pay all costs associated with any and all additions, or alterations to GARKANE's electric system necessitated or incurred in the establishment and operation of the interconnection contemplated by the QF, including but not limited to any and all modifications required for the metering of power and energy or for the efficient, safe and

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reliable operation of the QF's facilities with GARKANE's electric system.

VIII. FACILITY CHARGE ON DEDICATED FACILITIES

The QF shall be required to pay GARKANE a monthly facilities charge to recover all related costs of any dedicated facilities previously constructed to serve the QF on a firm basis.

IX. OTHER BILLING ADJUSTMENTS

A. The foregoing rates are subject to the imposition of any wholesale power adjustment and other changes in rates which may be established and approved for billing by the Arizona Corporation Commission from time to time.

B. Total monthly sales to a QF for supplementary, standby and maintenance power are subject to adjustment for all federal, state and local government taxes or such levies on such sales and any other assessments that may be imposed by state or federal regulatory agencies on utility gross revenues.

X. EFFECTIVE DATE

This rate schedule is effective OCT. 1, 1990

APPROVED FOR FILING
IN COMPLIANCE WITH
DECISION #: 571 06

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GARKANE POWER ASSOCIATION, INC.

ATTACHMENT

OPTIONAL TARIFF FOR SUPPLEMENTARY STANDBY AND MAINTENANCE
POWER SALES TO QUALIFYING FACILITIES EXCEEDING 100 KW

RATE SCHEDULE COGEN-1

(1) BASIC SERVICE

Cogeneration Basic Service Charge \$10.00 per month

Plus, For Each Generator Meter \$25.00 per month

(2) STANDBY SERVICE

Standard Option

Monthly Reservation Charge per KW of \$ 3.94 per month
Contract Standby Capacity

Energy Charge \$ 0.0652 per kwh

Interruptible Option

Energy Charge \$ 0.0652 per kwh

(3) MAINTENANCE SERVICE

Energy Charge \$ 0.0652 per kwh

APPROVED FOR FILING
IN COMPLIANCE WITH
DECISION #: 5710.6 I

EFFECTIVE OCT. 1, 1990

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GARKANE POWER ASSOCIATION Curtailment Plan - State of Arizona

March 1993

Introduction

Garkane Power Association, Inc. (Garkane) is a Rural Electric Cooperative with headquarters in Richfield, Utah. The cooperative serves customers throughout South Central Utah and approximately 688 meters in Northern Arizona. The number of customers by class is as follows;

Residential	515
Commercial	113
Industrial	2
Fire Protection	4
Public Authorities	26
Irrigation	<u>28</u>

Total 688

Most of the wholesale power purchased by Garkane comes from the Western Area Power Administration (WAPA) and is generated at Glen Canyon Dam. Additional purchases, beyond approved co-generation facilities and self-generation at Garkane's own small hydro electric plant, are made through an all-requirements contract with Deseret Generation and Transmission Cooperative (DG&T).

Although conditions have never existed where the power supply from DGCT was insufficient to carry the load during peak periods, nor do we anticipate shortages in generation capacity from DG&T, a curtailment plan has been developed in compliance with the Arizona Corporation Commission's Administrative Rule, Chapter 2, Section R14-2-208, Paragraph E.

Curtailment Procedures

In the event severe supply shortages or curtailments are anticipated in advance by Garkane, Garkane will make a public appeal for the voluntary curtailment of electric consumption by all consumers.

If voluntary curtailment results in insufficient load reduction the following, in order of curtailment, is a list and brief description of the loads;

1. Grand Canyon National Park (North Rim). This load has self generation and would not be significantly impacted by curtailment during an emergency situation.

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2. Kaibab Industries, Fredonia, Arizona. This is an industrial sawmill load and would be impacted economically by being curtailed, but life or health would not be affected during an emergency situation.

3. Ryan Substation. This substation serves the North Rim of the Grand Canyon as well as several other recreational sites. In addition, an industrial customer, Energy Fuels Nuclear, would also be affected by this curtailment. Although curtailment would be inconvenient, it would not create any unreasonable hardships.

4. Colorado City Substation. This substation serves the majority of Garkane's residential and commercial customers located in Arizona. With 4 to 5 hours work the electric service to the community fire station/emergency communications system could be restored. However, medical facilities for this area are served from a Utah feed which could also be used to provide service to most of the Arizona customers who would be affected by curtailment at the Colorado City Substation.

5. Moccasin Tribal Police. Service to the Moccasin Tribal Police Department is identified as a critical load and would be maintained as long as possible.

6. Moccasin Mountain Communications Site. A radio repeater site located on Moccasin Mountain is a critical communications load. The site provides communications for law enforcement and other emergency agencies. Service to this location would be maintained as long as feasible.

7. Fredonia, Arizona. The Town of Fredonia is a municipal power system serving residential, commercial and emergency communication (Sheriff's Department) loads. Service to the Sheriff's Department would be preserved as long as possible, however, under Garkane's present wheeling contract with Fredonia, curtailment to residential and business customers in the Town is contingent upon equal reductions among other Garkane customers.

Due to the limited amount of load, residential customers outside Colorado City, and the limited probability of a power supply shortage, rotation schedules are not proposed in the plan.

Curtailment Responsibilities

General Manager:

◆ When an emergency exists, the General Manager will authorize all involuntary or voluntary curtailment plans and is responsible for notifying appropriate Garkane personnel and for contacting the Arizona Corporation Commission and the Arizona State and County Civil Defense

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and Emergency Centers/Teams prior to and during any curtailment.

♦ The General Manager has the responsibility of monitoring the curtailment process and ensuring the methodologies outlined in the curtailment plan are followed.

Engineering Manager:

♦ Is responsible for ensuring adequate generation and transmission to meet the Arizona system's load requirements and, in consultation with the General Manager, for determining the magnitude and duration of any load curtailment.

♦ Is responsible for directing the implementation of all phases of the curtailment plan and ensuring the personnel involved understand the plan and are trained in its operation.

Kanab Area Manager:

♦ Is responsible for executing involuntary load curtailment consistent with the outlined plan.

♦ Maintains an accurate log of all circuit interruptions during curtailments and forwards the information to the Engineering Manager and General Manager.

Member Services Personnel:

♦ Keeps the public informed of electric curtailment through news releases and other announcements as instructed by the General Manager.

APPROVED

GARKANE POWER ASSOCIATION, INC.


Glen P. Willardson, General Manager

4/1/93
Date

3

EFFECTIVE MARCH 22, 1993

RULE

APPROVED FOR FILING
IN COMPLIANCE WITH
DECISION # 214-2-208,
PARAGRAPH E

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GARKANE POWER ASSOCIATION.. INC.
Richfield, Utah 84701

ELECTRIC SERVICE REGULATIONS

STATE OF ARIZONA

1. These rules and regulations are designed to govern the supply, receipt and utilization of electric service in Arizona consistent with safe and reliable service practices.

2. These Rules and Regulations and all Rate Schedules are on file in the office of the Company, and copies are obtainable by any customer without charge upon request.

3. These Rules and Regulations are subject to revision from time to time and supersede all regulations which may heretofore have governed the supplying and taking of Company's electric service. They are subject to the jurisdiction of the Arizona Corporation Commission ("ACC" or "the Commission").

DEFINITIONS

4. The following expressions, when used in these Rules and Regulations, in Rate Schedules, and in Service Agreements, shall, unless otherwise indicated, have the meanings given below:

5. Customer. Any individual, partnership, association, firm, public or private corporation or governmental agency receiving Company's service at any specified location.

6. Company. Garkane Power Association, Inc.

7. Electric Service. The availability of electric power and energy, irrespective of whether any electric power and energy is actually used. Supplying of service by Company consists of the maintenance by the Company at the point of delivery of approximately the established voltage and frequency by means of facilities adequate for carrying Customer's proper load.

8. Point of Delivery. Customer's service terminal, or the point where the Company's wires are joined to Customer's wires or apparatus, unless otherwise specified in Customer's Service Agreement.

9. Customer's Installation. In general, all wiring, appliances and apparatus of any kind or nature on Customer's side of the Point of Delivery (except Company's meter installation) useful in connection with Customer's ability to take electric service.

APPROVED FOR FILING

DECISION #: 61105

ERC 9-1-97

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10. Service Facilities.

(a) Service Drop. The wires owned by Company connecting Company's distribution system to Customer's service entrance conductors.

(b) Service Entrance Conductors. The portion of Customer's installation to which Company's Service Drop is connected.

11. Month. An interval of approximately thirty (30) days between successive meter reading dates, except when the calendar month is specified.

12. Service Agreement. The agreement or contract between Company and Customer pursuant to which service is supplied and taken.

13. Connected Load. The combined nominal rated capacity of all motors, or other energy consuming devices, installed on Customer's premises, which may be operated with energy supplied by Company.

14. Horsepower. The term horsepower shall be construed to mean the equivalent to 750 watts.

15. Notice. Unless otherwise specified, a written notification delivered personally or mailed by one party to the other at such other party's last known address, the period of notice being computed from the date of such personal delivery or mailing.

16. Meter. The meter or meters, together with auxiliary devices, if any, constituting the complete installation needed to measure the power and energy supplied to any individual Customer at a single point of delivery.

17. Customer Extension. Any branch from, or continuation of, an existing line to the point of delivery to Customer, including increase in capacity of any of the Company's existing facilities, or the changing of any line to meet Customer's requirements and including all transformers, service drop, and meters.

18. Standby Service. Standby service shall be construed to mean service to a load for which Customer has available an alternative source of power other than that provided by Company.

AFFROVED FOR FILING

DECISION #: 61105

EFF. 9-1-98

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SERVICE AGREEMENTS

19. Form and Execution of Service Acreements. Each applicant for service shall make a written application therefor on the Company's standard form, or execute a formal contract. The Company's standard application form, when signed by the Company's authorized representative as well as the Customer, becomes a binding Service Agreement.

20. Term of Service Agreement. Unless otherwise provided, service agreements are to continue in effect for an initial period of one (1) year where a new service is provided.

21. Expiration or Renewal of Service Asreements. Unless otherwise provided, each Service Agreement will automatically extend its expiration date for additional successive periods of one (1) year each, unless and until either party has notified the other in writing not less than thirty (30) days prior to the end of any such period of its desire to terminate such agreement.

22. Company's Risht to Cancel Service Agreement or to Terminate or Suspend Service. The Company may suspend or terminate service for the reasons and pursuant to the procedures specified in Commission Rule R14-2-221.

23. Chanse of Address of Customer.

(a) When Customer changes his address he shall give notice thereof to Company at least three (3) working days prior to the date of change. Customer will be held responsible for all service supplied to the vacated premises until such notice has been received and Company has had a reasonable time, but not less than three (3) working days, to discontinue service.

(b) If Customer moves to an address at which he requires electric service for any purpose specified in this Service Agreement, and at which address Company has such service available under the same rate schedule, the notice shall be considered as Customer's request that Company transfer such service to the new address; but if Company does not have such service available at the new address the old Service Agreement shall be considered cancelled.

(c) If Company has service available at the new address to which a different rate schedule applies, a new Service Agreement, including the applicable Rate Schedule, will be offered to Customer. Company will make transfers of service as promptly as reasonably possible after receipt of notice.

24. Successors and Assisns. Service Agreements shall inure to the benefit of and be binding upon the respective heirs, legal representatives, and successors by operation of law, of the

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parties thereto, but shall be voluntarily assignable by either party only with the written consent of the other, except that Company may, without Customer's consent, assign any Service Agreement to any person or corporation, in any lawful way acquiring or operating all or any part of Company's property used in supplying service under such agreement.

SUPPLYING AND TAKING OF SERVICE

25. Power Supply. Alternating current at approximately sixty (60) cycles. Secondary distribution voltages are available at 120/240 volts, 120/208 volts and 277/480 volts.

26. Supply of Service. Service will be supplied only under and pursuant to these service regulations, and any modifications or additions thereto lawfully made, and such applicable rate or rates as may from time to time be lawfully fixed. Service will be supplied under a given Rate Schedule only at such points of delivery as are adjacent to facilities of the Company adequate and suitable as to capacity and voltage for the service desired. Otherwise, special agreements between Customer and Company may be required.

27. Continuity of Service. Company will use reasonable diligence to supply steady and continuous service, but does not guarantee the service against irregularities or interruptions. Company shall not be liable to Customer for any damages occasioned by service irregularities or interruptions.

If compliance with orders or formal requests of any governmental agency, curtailing or diverting Company's available electric power resources make it impossible for Company to supply the full electric power requirements of all its Customers, Company shall not be liable for any injury or loss caused by the resultant curtailment, in whole or in part, of its supply to any Customer. If any such curtailment reduces the amount of power available to a Customer below the minimum amount contracted for, such Customer shall be relieved of the obligation to pay more than the amount of power from time to time made available by Company.

Inability on the part of the Company to meet its contractual obligations to any Customer, when such inability is due to Company's compliance with an order or formal request of a governmental agency, shall not constitute default on the part of Company as to any contract or agreement, and any contract or agreement affected by such compliance shall remain in full force and effect except as necessarily modified during the effective period of such order or formal request.

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28. Suspension of Service for Repairs and Chances.

(a) When necessary to make repairs to or changes in Company's plant, generating equipment, transmission or distribution system, or other property, Company may, without incurring any liability therefor, suspend service for such periods as may be reasonable, necessary, and in such manner as not to inconvenience Customer unnecessarily. The Company will attempt to inform affected customers of scheduled service interruptions of longer than four (4) hours duration at least twenty-four (24) hours in advance of the scheduled interruption.

(b) There shall be no abatement of demand, minimum or similar charge for months in which such suspensions do not exceed an aggregate of twenty-four (24) hours. There shall be a pro rata reduction in such charges for months in which such suspensions do exceed that amount.

29. Use of Service.

(a) Service shall be supplied directly to Customer through Company's own meter, and shall be used by Customer only for the purposes specified in and in accordance with the provisions of the Service Agreement. Service shall be for Customer's use only, and under no circumstances may Customer or Customer's agent, or any other individual, association or corporation install meters for the purpose of remetering or reselling or otherwise disposing of service supplied Customer to lessees, tenants or others, except in accordance with the Service Agreement of Company which specifically authorizes such use of the service. In no case shall Customer, except with the consent of Company, extend or connect his installation to lines across or under any street, alley, lane, court or avenue, or other public or private space in order to obtain service for adjacent property through one (1) meter, even though such adjacent property be owned by Customer. In case of such unauthorized remetering, sale, extension, or other disposition of service, Company may immediately discontinue the supplying of service to Customer until such unauthorized remetering, sale, or act is discontinued and full payment is made for all service supplied or used, billed on proper classification and rate schedules, and reimbursement in full is made to Company for all extra expenses incurred, including expenses for clerical work, testing and inspections.

30. Right-of-Way. Without reimbursement, Customer shall make or procure conveyance to the Company of right-of-way satisfactory to Company across the property owned by or controlled by Customer for Company's lines or extensions thereof necessary or incidental to the supplying of service to Customer.

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31. Access to Premises. The duly authorized agents of Company shall have access at all reasonable hours to the premises of Customer for the purpose of inspecting wiring and apparatus, removing or replacing Company's property, reading of meter and all other purposes incident to the supplying of service.

32. Location of Customer's Service Entrance Conductors. Customer's service entrance conductors shall be located at a point readily accessible to Company's Service Drop, such point to be determined by Company.

CUSTOMER'S INSTALLATION

33. Customer's Facilities for Receiving Service. Customer's facilities for receiving shall be installed in accordance with Company's standard "Specifications for Electric Service and Meter Installations" and the National Electric Code. The Company's specifications mentioned above are on file at Company's office and are hereby made a part of these Rules and Regulations.

34. Nature and Use of Installations. Customer shall not employ or utilize any equipment, appliance, or device so as to affect adversely Company's service to Customer or to others. When polyphase service is supplied by Company, Customer shall control the use thereof so that the load at the Point of Delivery will be maintained in reasonable electrical balance between the phases.

35. Power Factor. When florescent, neon, zeon, or other hot or cold cathode types of gaseous tube lighting having similar power factor characteristics are installed and used, Customer may be required to furnish, install and maintain, at his own expense, corrective apparatus designed to maintain at not less than approximately ninety percent (90%) lagging, the power factor of each unit of such equipment or group of such equipment controlled as a unit by a single switch or its equivalent which controls only such unit.

The Company shall have the right to refuse or discontinue service to any such installation, until Customer has complied with the foregoing provisions.

The determination of power factor shall be made by the wattmeter-voltmeter method.

36. Phase of Motors.

(a) Individual motor installations requiring less than five (5) horsepower shall be single phase. Motors not exceeding one-half (1/2) horsepower shall be for 115 volts; and motors of one half (1/2) horsepower to five (5) horsepower, 230 volts. Exceptions may be served at the option of the Company.

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(b) For installation of five (5) horsepower and over motors, three (3) phase alternating current will be furnished at the voltage stated in the Service Agreement; but single phase service, at the option of the Company may be furnished for installations of five (5) horsepower and over motors, where Company has only single phase available at the point where Customer desires service.

37. Current Limiting Devices.

(a) Auto starters or other suitable starting devices shall be provided by Customer for all motors having above five (5) horsepower.

(b) All motors starting on other than light load shall be provided with suitable devices or be of a suitable type to limit the starting current.

38. Chances in Installation. As Company's service drop, transformers, meters, and other facilities used in supplying service to a Customer have a definite limited capacity, before making any material changes or increases in Customer's installation, Customer shall give notice thereof to Company, and obtain Company's consent thereto. Company as promptly as possible after receipt of such notice will either give its approval to the proposed change or increase or will advise Customer upon what conditions service can be supplied for such change or increase.

39. Inspection by Company. Company shall have the right, but does not assume the duty, to inspect Customer's installation at any time, and from time to time, and to refuse to commence or to continue service whenever it does not consider such installation to be in good operating condition, but Company does not in any event assume any responsibility whatever in connection with Customer's installation.

40. Customer's Responsibility. Customer assumes all responsibility on Customer's side of the Point of Delivery for service supplied or taken, as well as for the electrical installation, appliances, and apparatus used in connection therewith, and shall save Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from such service or the use thereof on Customer's side of the Point of Delivery.

COMPANY'S INSTALLATION

41. Installation and Maintenance. Except as otherwise provided in those rules and regulations, in Service Agreements, or Rate Schedules, Company will install and maintain its lines and equipment on its side of the Point of Delivery, but shall not be required to install or maintain any lines or equipment, except

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meters, on Customer's side of the Point of Delivery. Only Company's agents are authorized to connect Company's service drop to Customer's service entrance conductors.

42. Connections to Customer's Service. The service drop will ordinarily be installed overhead. If Customer desires to have the service drop installed in any other manner, special arrangement will be made between Customer and Company whereby such service drop will be installed and maintained at Customer's expense.

43. Protection by Customer. Customer shall protect Company's wiring and apparatus on Customer's premises and shall permit no one but Company's agents or persons authorized by law to inspect or handle same. In the event of any loss or damage to such property of Company caused by or arising out of carelessness, neglect, or misuse by Customer or other unauthorized persons, the cost of making good such loss or repairing such damage shall be paid by Customer.

METERING

44. Installation.

(a) Meters. Company will furnish and install necessary meter or meters, and Customer shall provide and maintain locations for installation thereof free of expense and satisfactory to Company.

(b) Accuracy Limits. After being tested, meters shall be adjusted to as near zero error as practicable. Meters shall not remain in service with an error over two percent (2%) of tested capacity, or if found to register at no load.

(c) Before Installation. New meters shall be tested. Removed meters shall be tested before or within sixty (60) days of installation.

(d) Periodic. In service meters shall be periodically or sample tested every five (5) years.

(e) Reauest. Upon written request, the Company shall promptly test the accuracy of Customer's meter. If the meter has been tested within twelve (12) months preceding the date of the request, the Company may require the Customer to make a deposit in the amount approved by the Commission for testing in the Company's tariff. If the meter is found to have an error of more than two percent (2%) capacity, the deposit shall be refunded; otherwise, the deposit shall be retained as a service charge.

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(f) Meter Error Correction. If a meter tested pursuant to this section is more than two percent (2%) in error, either fast or slow, proper correction will be made and adjusted bills rendered as specified in Commission Rule R14-2-210.

45. Evidence of Service Use. The registration of Company's meter shall be accepted and received at all times and places as prima facie evidence of the amount of power and energy taken by Customer.

46. Voltage of Installation. Metering will be at secondary voltage unless otherwise specified in service contracts.

BILLING

47. Billing Periods. Bills ordinarily will be rendered regularly at monthly intervals, but may be rendered more frequently at Company's option. Non-receipt of bills by Customer shall not release or diminish the obligation of Customer with respect to payment thereof.

48. Minimums. When a Customer receives service for less than thirty (30) days during the billing period, the applicable monthly minimum shall apply.

49. Separate Billing for Each Point of Delivery. At each Point of Delivery use of service shall be metered separately for each Customer service. Whenever for any reason Company furnished two (2) or more meter installations for a single Customer or supplies service under a Rate Schedule which does not require a meter, each point of metering and/or point of delivery where no meter is required shall be considered as a separate service. A separate Service Agreement will be required, and bills will be separately calculated for each such separate service, except where Company may, under special circumstances, waive this requirement.

50. Billing Seasonal Customers. Seasonal customers shall be billed monthly as electric power is used. A Customer may elect to pay his bill in advance and forgo paying his bill monthly. Any deficit between the guaranteed amount and that actually received by the Company, from either monthly payments or advance payments, shall become payable at the beginning of the twelve (12) month period. The Company shall read the meters at the beginning of each seasonal year. Company readings indicating usage not billed shall be equally divided over the months since the last Company reading.

51. Payment of Bills. All bills for service become due and payable and DELINQUENT if not paid within twenty (20) days from date of bill, and service may be disconnected upon five (5) days written notice to Customer. When so disconnected, service will not

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be restored until all bills, together with any authorized charges of disconnecting and reconnecting the service are paid.

52. Tax Adjustment Clause. In the event any city, municipality or other governmental body shall impose a gross revenue, transaction privilege, occupation or franchise or other similar tax upon the Company for power supplied, the amount of such tax shall be billed to and paid by the Customer receiving power from the Company.

53. Charge for Restoring Service. If service to Customer is discontinued for non-payment of bill or other violation of the Service Agreement, then, before service is re-established, Customer shall pay the Company the authorized reconnect fee and any past due amounts.

54. Theft of Service. In any case of tampering with meter installation or interfering with the proper working thereof, or any other theft of service by any person, or evidence of any such tampering, interfering, theft or service diversion by whomsoever done, Customer shall be liable to immediate discontinuance of service as provided in Paragraph 22 of the Service Agreements, and Company shall be entitled to collect from Customer at the appropriate rate for all power and energy not recorded on the meter by reason of such tampering, interfering, or other theft or service diversion, (the amount of which may be estimated by Company from the best available data) and also for all expenses incurred by Company on account of unauthorized act or acts.

55. Cancellation Within Period of Service Agreement. Where the Customer entirely suspends operations during the Service Agreement period with the intention permanently to abandon them, the Service Agreement may be canceled by written notice to the Company not less than thirty (30) days before the effective date of the proposed cancellation, and by paying to the Company the amount of all balances due. No such cancellation shall release the Customer from his obligation under any term minimum guarantees based on special investment made by the Company to serve the Customer. If the discontinuance by Customer is a breach of the service agreement, the right of the Company to collect the sums mentioned herein shall be in addition to all other rights it may have on account of such breach.

SELECTION AND APPLICATION OF RATE SCHEDULES

56. Selection of Rate Schedule.

(a) When a prospective Customer makes application for service, Company will, upon request, assist in the selection of the rate schedule most appropriate to Customer for the service requested. The selection will be based on the prospective

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Customer's statement as to the class of service desired, the amount and manner of use, and any other pertinent information. This statement will be recorded and filed with the application. Company shall not be liable for any errors in connection therewith and Company does not assure any particular bill result.

(b) If through error a service agreement is entered into specifying a Rate Schedule which is not applicable to the class of service taken, on discovery of the error, all bills rendered during the preceding twelve (12) months shall be recalculated in accordance with the lowest properly applicable rate schedule, and any excess paid shall be refunded by Company, or any balance due shall be paid by Customer, as the case may be.

57. Distinction Between Residential and Commercial Service. Private dwellings in which space is occasionally used for the conduct of business by a person residing therein will be served under the standard residential rate. Where a portion of a dwelling is regularly employed for the conduct of business the electricity used in that portion will be separately metered and billed on the appropriate commercial rate. If separate circuits are not provided by Customer, the entire premises will be classified as non-residential and billed accordingly. Service rendered through one (1) meter to apartment houses and to recognized rooming and/or boarding houses will be considered commercial service.

58. Change to Optional Rate Schedule. A Customer being billed under one of two or more optional Rate Schedules applicable to his class of service may elect to be billed on any other applicable Rate Schedule by notifying Company in writing and Company will bill Customer under such elected schedule from and after the date of the next meter reading. However, a Customer having made such a change of rate schedule may not make another such change within the next twelve (12) months unless during such period there have been issued changed or additional Rate Schedules applicable to Customer's class of service.

59. Lighting on Power Schedules. Lighting service will not be supplied under any power Rate Schedules unless it is so specified in such power Rate Schedule, and when so supplied Customer will provide and maintain all auxiliary apparatus (transformers, regulators, etc.) that may be necessary. Service supplied to motor generators, any portion of the output of which is used for lighting purposes, shall be considered lighting service.

60. Temporary and Standby Service.

(a) Temporary and standby service shall not be rendered except under a special agreement between Company and Customer unless the temporary service is provided during construction where a permanent service will be established.

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(b) In no event will Company supply power and energy for the purpose of starting or furnishing excitation or other auxiliary service necessary to the operation of any of Customer's generating plant or for parallel operation of Customer's generating equipment with Company's system except under a special agreement between Company and Customer.

DEPOSITS

61. When Required. Consistent with Commission Rule R14-2-203, the Company, at the time application for electric service is made or at any time thereafter, may require a cash deposit or guarantee satisfactory to the Company to secure the payment of bills as they become due. Such deposit or guarantee may be held in its entirety by the Company until final settlement of Customer's account, and any balance remaining will be held subject to Customer's order without interest from the date of final settlement; provided, however, that residential deposits and accrued interest will be refunded or other guarantee terminated after twelve (12) months of service if the Customer has not been delinquent more than twice in the payment of utility bills. The amount of such deposit shall not exceed the estimated cost of service for ninety (90) days, and may be paid in three (3) equal monthly installments.

62. Third Party Guarantees. Third party guarantees in lieu of a deposit shall be permitted upon demonstration of a guarantor's satisfactory credit standing.

63. Interest. All cash deposits made by Customer to secure payment of bills will draw interest at the rate of six percent (6%) per annum or any other rate that may be set by the Commission. Interest due at date of discontinuance of service will be credited on final bills of Customer or included with the amount refunded.

64. Refunds. Subject to the provisions of Paragraph 61, deposits shall be refunded upon Customer's request after a satisfactory payment history of twelve (12) months. Interest will be earned in accordance with Paragraph 63. The original deposit and interest will be applied as credits toward the Customer's power bill. Non-residential customers not requesting a refund within three (3) years will automatically receive their deposit plus interest earned as credits provided they have maintained a satisfactory credit history. The Company presently refunds all deposits on a three (3) year rotation cycle for all deposits on the books of the Company. (Deposits paid in 1998 will be refunded in 2002, etc.)

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APPLICATION OF AND CHANGES AND ADDITIONS TO SERVICE

REGULATIONS AND RATE SCHEDULES - CONFLICTS

65. Application of Rules and Regulations and Rate Schedules. All service agreements at present in effect or that may be entered into in the future are made expressly subject to these Rules and Regulations, any modifications hereof that may be lawfully made and subject to all applicable existing rate schedules and additions thereto. When practicable, thirty (30) days notice, either by mail or by publication in local newspapers, will be given to any Customers affected by any such change, addition or substitution.

66. Conflicts. In case of conflict between any provision of these Rules and Regulations, Customer's service agreement, or a rate schedule, the provision of the service agreement takes precedence, followed by the provision of the rate schedule.

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GARKANE ENERGY COOPERATIVE, INC.
BOARD POLICY NO. 206-B

ELECTRIC SERVICE REGULATION NO. 68
STATE OF ARIZONA

LINE EXTENSION POLICY

1. General Provisions: Garkane Energy Cooperative, Inc. (Cooperative) will provide electric service to all within the boundaries of its service area when free rights of way and continued access for servicing are provided on the applicant's premises, and the applicant complies with the conditions of one of the following classifications as determined by the association.
 - (a) "Permanent Service," as herein defined, includes service to Residential, General Service and Large Power when the use of service, both as to amount and permanency, can be assured.
 - (b) "Indeterminate Service," as herein defined includes but not limited to, service to mines, quarries, oil wells, industrial, manufacturing, and large commercial enterprises of speculative character, real estate subdivisions, mobile homes and recreational vehicles, property being developed for sale, enterprises where the applicant will not be the user of service, locations where there is little or no immediate demand for service by any other consumer, seasonals, and other service (except that defined hereinafter as "Temporary") where the amount and permanency of use cannot reasonably be assured.
 - (c) "Temporary Service," as herein defined, includes but not limited to service to circuses, bazaars, fairs, concessions and similar enterprises, construction work, etc., of a temporary nature, and ventures of such uncertain speculative character that their permanency is questionable, such as mining or oil and gas production operations, etc., which, during the preliminary or development period of same, may at Association's option, be classified in this category of service.
 - (d) Deposits or contributions in aid of construction will be calculated to reflect the estimated construction costs as entered on the books of the association.
2. Extensions for Permanent Service Outside of Subdivisions:
 - (a) Free Extensions: Upon the satisfactory completion of required site improvements, as determined by the Cooperative, the Cooperative will make single phase extensions from its existing overhead facilities of proper voltage and adequate capacity free of charge a distance of up to six hundred (600) feet where the property to be served is not within a subdivision. The distance of six hundred (600) feet is to be measured from the existing facilities of the Cooperative's distribution facilities capable of serving the Consumer. Line extensions made under this extension policy for three phase overhead service will be subject to an allowance of two hundred (200) feet free footage of line.

GARKANE ENERGY COOPERATIVE, INC.

STATE OF ARIZONA
LINE EXTENSION POLICY - cont.

- (b) Extensions in Excess of Free Extension Distance: The Cooperative shall make extensions in excess of six hundred (600) feet upon receipt of a non-interest bearing, refundable cash deposit with the Cooperative to cover the costs of construction, as mentioned in Item 3 below. The total cost of such additional footage shall be based upon a current construction cost study made by the Cooperative for overhead single phase extension.

THREE PHASE EXTENSIONS IN EXCESS OF FREE EXTENSION DISTANCE

The Cooperative shall make extensions in excess of two hundred (200) feet upon receipt of a non-interest bearing refundable cash deposit with the Cooperative to cover the costs of construction. The total cost of such additional footage to be based upon a current construction cost study made by the Cooperative for Three Phase Extensions.

1. Method of Refund: The method of refunding for three phase extensions will be in the order of refunding for single phase as set forth in the example in Section 3, except 200 ft. shall be used in place of 600 ft., if the new extension is three phase.
3. Method of Refunds: Deposit refunds will be made to a depositor when separately metered permanent Consumers are served directly from the line extension originally constructed to serve said depositor, providing the new line extension is less than six hundred (600) feet in distance.

The amount of the deposit refund will be equal to the actual cost per foot of constructing the line, multiplied by six hundred (600) feet less the actual footage of the new line extension required to serve the new Consumer.

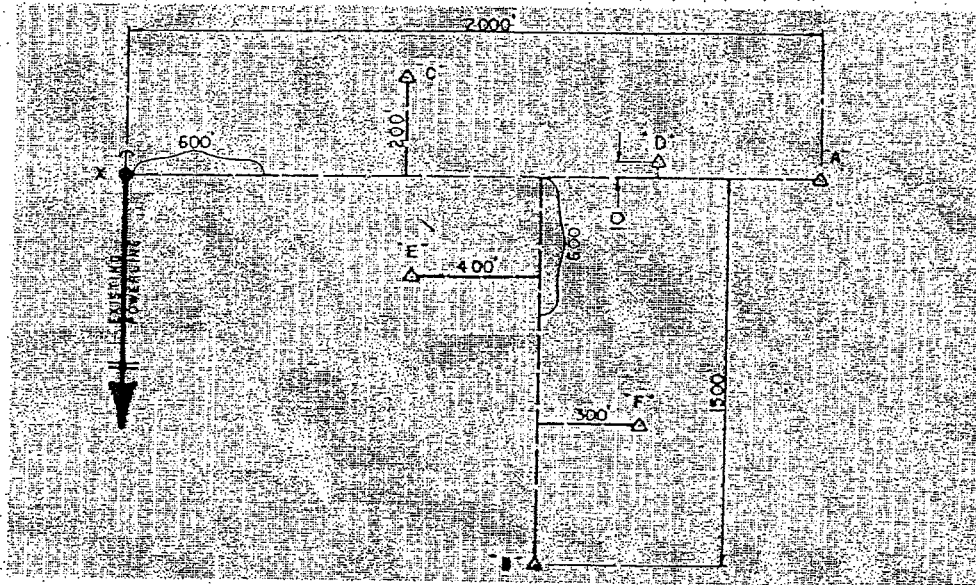
In no event shall the total of the refund payments made by the cooperative to a depositor be in excess of the deposit amount advanced.

If after five (5) years from the Cooperative's receipt of the advance required for the estimated cost, of the new line to be constructed has not been totally refunded, the advance shall be considered a contribution in aid of construction and shall no longer be refundable.

GARKANE ENERGY COOPERATIVE, INC.

STATE OF ARIZONA
LINE EXTENSION POLICY - cont.

A pictorial explanation of the method of refund based upon the initial rate per foot is as follows:



Applicant "A" - Applicant puts up refundable deposit for footage over 600 feet (1400' @ actual line extension cost.)

Applicant "B" - Applicant puts up refundable deposit for footage over 600 feet (900' @ actual line extension cost.) No refund is due Applicant "A" because total construction was over 600 feet.

Applicant "C" - No charge to applicant. However, Applicant "A" will get a refund. (400' @ actual line extension cost.) Line "C" ties directly into Line "A" and it is under 600 feet.

Applicant "D" - No charge to applicant, Applicant "A" will get a refund of 590' @ actual line extension cost because Line "D" ties directly into Line "A".

Applicant "E" - No charge to applicant. Applicant "B" will get a refund. (200' @ actual line extension cost.) Line "E" ties directly into Line "B".

Applicant "F" - No charge to applicant. Applicant "B" will get a refund. (300' @ actual line extension cost.) Line "F" ties directly into Line "B".

GARKANE ENERGY COOPERATIVE, INC.

STATE OF ARIZONA
LINE EXTENSION POLICY - cont.

4. Extension for Indeterminate Service:

- (a) The applicant may be required to make a nonrefundable contribution-in-aid of construction for the entire construction investment, and they must enter into a contract with the association.
- (b) Platted developments being subdivided for future potential residential homesites will require a construction contribution to be made to cover the cost of the basic backbone primary system being installed. A standard 200 amp service will be allowed for indeterminate services, both overhead and underground.
- (c) In the event an indeterminate service is reclassified to permanent service, the provision of extensions for permanent service shall apply after the date of the reclassification.

5. Overhead or Underground Distribution Facilities Within Mobile Home Parks For Duly Recorded Real Estate Subdivisions: Distribution facilities will be constructed by the Cooperative within a duly recorded subdivision or mobile home park after the Cooperative and the developer of said subdivision or park have entered into a written contract which provides among other things for:

Advance Deposit: The total estimated installed cost of such distribution facilities, exclusive of a standard 200 amp service is to be advanced to the Cooperative as a nonrefundable cash deposit to cover the Cooperative's cost of construction.

Line Facilities: Where single phase line facilities within a subdivision or mobile home park exceed the cost of a standard 200 amp service for each lot, a nonrefundable cash amount equal to that portion of the total estimated installed cost represented by those required line facilities shall be paid to the Cooperative.

6. Extensions for Temporary Service:

- (a) For service classified as "Temporary," Association shall require applicant to pay Association in advance of construction an amount equivalent to Association's estimate of the total cost of construction and removing the extension less estimated salvage value of materials used.
- (b) Service provided to a temporary extension shall be billed in accordance with the rate schedules applicable.
- (c) Association may refuse to connect additional consumers to temporary extensions.
- (d) Service over a temporary extension will not be continued for a period longer than eighteen (18) months, and if consumer desires service thereafter, said continued

GARKANE ENERGY COOPERATIVE, INC.

STATE OF ARIZONA
LINE EXTENSION POLICY - cont.

service shall be furnished under the terms of either the "Permanent" or "indeterminate" plan, if Association's estimate of the future use of service justifies and continued operation and maintenance of the line.

7. Underground Extensions to Individual Applicants and/or to the Perimeter of Duly Recorded Real Estate Subdivisions:

- (a) Underground line extensions will generally be made when mutually agreed upon by the Cooperative and the applicant or in areas where the Cooperative does maintain existing underground distribution facilities for its operating convenience.
- (b) The applicant shall provide at his expense the trenching, backfilling (including any imported backfill required), compaction, repaving and earth-work for pull boxes or other preparation for electrical apparatus necessary for the installation of underground facilities, all in accordance with the specifications and schedules of the Cooperative. At its option, the Cooperative may elect at the applicant's expense to perform the necessary activities to fulfill the applicant's responsibility hereunder provided the expense to the applicant is equal to or less than that which would otherwise be borne.
- (c) Primary and/or secondary underground power lines will be supplied upon request when feasible; however, the consumer will bear the cost differential between underground and overhead construction.
- (d) Services that are not standard 200 amp services and require additional costs to install in either power line capacity or because of unusual construction, will also be paid for by the consumer.
- (e) The Association will install, own and maintain all underground facilities to the point of delivery.

8. Large Industrial Loads: Large industrial loads involving special construction or circumstances will be individually analyzed and the provisions of the extension policy applied as agree upon.

9. Customer Extension Review: The customer may request a review of this contract at such time that he feels the circumstances have changed to the extent that his extension charges should either be reduced or eliminated. Such circumstances would be the addition of customers to the line on which his extension charge was calculated.

10. Hook-Up Fees: The hook-up fee shall be based upon the service entrance main breaker and/or fuse sets amperage and nominal service voltage. Where there are more than one service entrance main breakers and/or fuse sets the hook-up fee shall be based upon the sum of such devices. Service entrances which are upgraded and result in increased capacity shall be assessed a hook-up fee equal to the difference between the original service entrance size and

GARKANE ENERGY COOPERATIVE, INC.

STATE OF ARIZONA
LINE EXTENSION POLICY - cont.

the upgraded service entrance size. Service entrances which are upgraded for safety reasons or system improvements without increase in service capacity may have the hook-up fee waived. In new subdivisions hook-up fees shall be assessed to the lot owner at the time the customer requests service to the lot.

Hook-Up Fees Schedule

RESIDENTIAL OR NON-DEMAND SERVICES
(Single Phase 120/240 volt Service)

OVERHEAD OR UNDERGROUND SYSTEM CONNECTION

0-100 amps	\$1,000.00
101-200 amps	\$2,000.00
Each additional 100 amps, or portion thereof	\$1,000.00

COMMERCIAL, IRRIGATIONAL, GENERAL SERVICE, OR ALL OTHER SERVICES

Installed Meter Capacity	\$40/kW
or Minimum Impact Fee	\$1,000.00

Upgrading of existing service will require the applicable hook-up fees to be paid.

ATTACHMENT 3

GARKANE ENERGY COOPERATIVE, INC.
LOA, UTAH, 84747

STATE OF ARIZONA

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GARKANE ENERGY COOPERATIVE, INC.

**ELECTRIC SERVICE
SCHEDULE NO. RES01
STATE OF ARIZONA**

RESIDENTIAL SERVICE

AVAILABILITY: At any point on the Cooperative's interconnected system within the state of Arizona, outside of the incorporated boundaries of Colorado City, where there are facilities of adequate capacity subject to the Cooperative's established rules and regulations. The capacity of individual motors served under this Schedule will not exceed 10 H.P. This rate not for resale.

APPLICATION: This Schedule is for alternating current electric service supplied at approximately 120 / 240 volts single phase through one kilowatt-hour meter at a single point of delivery for all service required on the premises for residential purposes.

When a portion of a dwelling is used regularly for business, professional or other gainful purposes, the premises will be classified non-residential and the appropriate schedule applied. However, if the wiring is so arranged that the service for residential purposes can be metered separately, the Schedule will be applied to such service.

MONTHLY BILL: Base Rate: \$ 22.00 per month
 Energy Charge: \$ 0.07180 per kWh

MINIMUM MONTHLY CHARGE: The minimum monthly charge under the above rate shall be the monthly Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kWh's of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a customer requests connection or reconnection of service at the same location within a 12-month period, he shall be required to pay the monthly customer charge for each of the intervening months.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Association. The Electric Service Regulations of the Cooperative on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Association's cost of purchased power. The Cooperative's base cost of power is \$0.037493. Rates are subject to the imposition of any purchased power adjustment, reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any regulatory agencies on utility gross revenues.

APPROVED:
EFFECTIVE:

GARKANE ENERGY COOPERATIVE, INC.

**ELECTRIC SERVICE
SCHEDULE NO. IRR04
STATE OF ARIZONA**

IRRIGATION SERVICE

AVAILABILITY: At any point on the Cooperative's interconnected system within the state of Arizona where there are facilities of adequate capacity.

APPLICATION: This Schedule is for alternating current, single or three-phase electric service supplied at the Cooperative's standard secondary voltages through a single point of delivery for service to motors on pumps, pivot sprinkler systems, and machinery used for irrigation and soil drainage subject to the Cooperative's established rules and regulations. If energy usage for other purposes exceeds 10% of the total energy provided, the point of delivery shall be classified as non-irrigation and electric service shall be provided under the appropriate general service schedule. This rate is not for resale.

TYPE OF SERVICE: Single and three-phase, 60 cycles, at available secondary voltages.

MONTHLY BILL: For any month connected:

Base Rate

Base Charge, Single Phase	\$ 75.00 per year
Base Charge, Three Phase	\$ 125.00 per year
Demand Charge, per kWh per month	\$ 7.30 per kWh
Energy Charge, per kWh per month	\$ 0.0570 per kWh

MINIMUM: The minimum monthly charge under the above rate shall be the monthly Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kWh's of electricity.

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum average kilowatt load used by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as measured by a demand meter.

POWER FACTOR: The consumer agrees to maintain unity power factor as nearly as practicable. The horsepower for billing purposes may be adjusted to correct average power factors lower than 95 percent, if and when the seller deems necessary. Such adjustment will be made by increasing the horsepower 1 percent for each 1 percent by which the average power factor is less than 95 percent lagging. Leading power factor shall not be permitted.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Cooperative. The Electric Service Regulations of the Cooperative on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Cooperative's cost of purchased power. The Cooperative's base cost of power is \$0.037493. Rates are subject to the imposition of any purchased power adjustment, reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

APPROVED:
EFFECTIVE:

GARKANE ENERGY COOPERATIVE, INC.

ELECTRIC SERVICE
SCHEDULE NO. GS105
STATE OF ARIZONA

GENERAL SERVICE NO. 1

(Page 1)

AVAILABILITY: Available for commercial, industrial, public buildings, and three-phase farm service for all uses, including lighting, heating and power, subject to the established rules and regulations of the Cooperative. This rate not for resale.

Service under this schedule is limited to consumers whose load requirements do not exceed 50 KVA of transformer capacity.

TYPE OF SERVICE: Single-phase and three-phase, 60 cycles, at Cooperative's standard secondary voltage. Motors having a rated capacity of ten horsepower or more should be three-phase unless specifically approved by the Cooperative. All motors ten (10) horsepower and above shall have the starting current limited to no more than three and one half (3.5) times the full load current for no more than 15 seconds. All Variable Frequency Drives (VFD) shall be equipped with fully functional IEEE 519 compliant harmonic filters that limit the Total Harmonic Distortion to less than ten (10) percent current distortion and less than five (5) percent voltage distortion.

MONTHLY BILL:

Base Rate	\$ 25.00
Demand Charge, per billing kW	\$ 7.50
Energy Charge, per kWh per month	\$ 0.05720
Adjustment Charge	-

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum average kilowatt load used by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as measured by a demand meter.

POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable. Leading Power Factor is not permitted. Demand charges for billing purposes may be adjusted if the power factor at the time of maximum use is less than 90 percent lagging. Such adjustments will be made by increasing the measured demand one (1) percent for each one (1) percent by which the average power factor is less than 90 percent lagging.

MINIMUM: The Minimum Monthly Charge shall be the Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kWh of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a customer requests reconnection of service at the same location, he shall be required to pay the monthly charge for each of the intervening months. Non-use of service for more than 12 months shall make the electrical lines and service subject to removal under the Idle Service Regulation.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Cooperative. The Electric Service Regulations of the Cooperative on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

GARKANE ENERGY COOPERATIVE, INC.

**ELECTRIC SERVICE
SCHEDULE NO. GS105
STATE OF ARIZONA**

GENERAL SERVICE NO. 1

(Page 2)

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Cooperative's cost of purchased power. The Cooperative's base cost of power is \$0.037493. Rates are subject to the imposition of any purchased power adjustment reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any assessments that are or may be imposed by federal or state regulatory agencies on utility gross revenues.

APPROVED:

EFFECTIVE:

GARKANE ENERGY COOPERATIVE, INC.

**ELECTRIC SERVICE
SCHEDULE NO. SL007
STATE OF ARIZONA**

STREET AND YARD SECURITY LIGHTING

(Page 1)

AVAILABILITY: To all consumers served by the Cooperative within the state of Arizona. This rate not for resale.

APPLICATION: This schedule is for alternating current electric service supplied at approximately 120/240 volts, single phase at a single point of delivery, from existing secondary, subject to the rules and regulations established by the Cooperative.

MONTHLY BILL RATE for HPS or Equivalent LED Lamps:

100 Watts or less – 40 kWh/Mo:	\$ 8.15 per unit
250 Watts – 100 kWh/Mo:	\$ 12.90 per unit
400 Watts – 160 kWh/Mo:	\$ 17.50 per unit
1000 Watts– 400 kWh/Mo:	\$ 47.50 per unit
1800 Watts– 720 kWh/Mo:	\$ 85.00 per unit

CONDITIONS FOR SERVICE:

1. Service under this schedule is unmetered.
2. The Cooperative will maintain the light in operating condition. Consumer will assume responsibility and pay for damage caused by his own negligence or that of third parties.
3. The consumer must notify the Cooperative that repairs or maintenance are necessary.
4. The Cooperative will perform necessary repairs or maintenance at its earliest convenience and during normal working hours.
5. The consumer will guarantee payment for a minimum of twelve (12) months; if not, consumer will reimburse Cooperative for all removal costs.
6. Equivalent LED light size and type to be determined by Cooperative.
7. An additional charge may apply for customers in areas with a Dark Sky ordinance.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Cooperative. The Electric Service Regulations of the Cooperative on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Cooperative's cost of purchased power. The Cooperative's base cost of power is \$0.037493. Rates are subject to the imposition on any power adjustment reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

GARKANE ENERGY COOPERATIVE, INC.

**ELECTRIC SERVICE
SCHEDULE NO. SL007
STATE OF ARIZONA**

STREET AND YARD SECURITY LIGHTING

(Page 2)

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any regulatory agencies on utility gross revenues.

**APPROVED:
EFFECTIVE:**

GARKANE ENERGY COOPERATIVE, INC.

ELECTRIC SERVICE
SCHEDULE NO. GS208
STATE OF ARIZONA

GENERAL SERVICE NO. 2

AVAILABILITY: Available to consumers with large power loads located in Arizona on or near Seller's single-phase or three-phase lines for all types of usage, subject to the established rules and regulations of the Cooperative. A large power load is defined as any load requiring more than 50 kVA of transformer capacity. This rate not for resale.

TYPE OF SERVICE: Single-phase and three-phase, 60 cycles, at Cooperative's standard voltages.

MONTHLY BILL:	Base Rate:	\$ 30.00 per month
	Energy Charge:	\$ 0.05810 per kWh
	Demand Charge:	\$ 8.55 per kW

DETERMINATION OF BILLING DEMAND: The Billing Demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter and adjusted for power factor as provided below.

POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable. Leading Power Factors are not permitted. Demand charges for billing purposes may be adjusted if the power factor at the time of maximum use is less than 90 percent lagging. Such adjustments will be made by increasing the measured demand one (1) percent for each one (1) percent by which the average power factor is less than 90 percent lagging.

MINIMUM MONTHLY CHARGE: The Minimum Monthly Charge shall be the Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kWh of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a customer requests reconnection of service at the same location, he shall be required to pay the monthly charge for each of the intervening months.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Cooperative. The Electric Service Regulations of the Cooperative on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Cooperative's cost of purchased power. The Cooperative's base cost of power is \$0.037493. Rates are subject to the imposition of any purchased power adjustment reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any assessments that are or may be imposed by federal or state regulatory agencies on utility gross revenues.

APPROVED:
EFFECTIVE:

GARKANE ENERGY COOPERATIVE, INC.

**ELECTRIC SERVICE
SCHEDULE NO. ACC01
STATE OF ARIZONA**

RESIDENTIAL SERVICE -- COLORADO CITY

AVAILABILITY: At any point on the Cooperative's interconnected system within Colorado City where there are facilities of adequate capacity subject to the Cooperative's established rules and regulations. The capacity of individual motors served under this Schedule will not exceed 10 H.P. This rate not for resale.

APPLICATION: This Schedule is for alternating current electric service supplied at approximately 120 or 240 volts through one kilowatt-hour meter at a single point of delivery for all service required on the premises for residential purposes.

When a portion of a dwelling is used regularly for business, professional or other gainful purposes, the premises will be classified non-residential and the appropriate schedule applied. However, if the wiring is so arranged that the service for residential purposes can be metered separately, the Schedule will be applied to such service.

MONTHLY BILL:	Base Rate:	\$ 22.00 per month
	Energy Charge:	\$ 0.09980 per kWh
	Adjustment Charge:	-

MINIMUM MONTHLY CHARGE: The minimum monthly charge under the above rate shall be the monthly Base Rate, or as provided by contract. Payment of the minimum monthly charge does not entitle the consumer the use of any kWh's of electricity.

TEMPORARY DISCONTINUANCE OF SERVICE: If a customer requests connection or reconnection of service at the same location within a 12-month period, he shall be required to pay the monthly customer charge for each of the intervening months.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Cooperative. The Electric Service Regulations of the Cooperative on file with, and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Cooperative's cost of purchased power. The Cooperative's base cost of power is \$0.037493. Rates are subject to the imposition of any purchased power adjustment, reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

TERMS OF PAYMENT: The above rates are NET and are DUE and PAYABLE within twenty (20) days from the date of the bill.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any regulatory agencies on utility gross revenues.

APPROVED:
EFFECTIVE:

GARKANE ENERGY COOPERATIVE, INC.

ELECTRIC SERVICE
SCHEDULE NO. RES02
STATE OF ARIZONA

RESIDENTIAL PREPAID SERVICE

(Page 1)

AVAILABILITY: Available, on a voluntary basis, to customers at any point on the Cooperative's Arizona interconnected system, outside of the incorporated boundaries of Colorado City, where there are facilities of adequate capacity subject to the Cooperative's established rules and regulations. The capacity of individual motors served under this Schedule will not exceed 10 H.P. This rate not for resale.

Participation allowed under this Tariff shall be determined by the Cooperative. Customers specified under Arizona Administrative Code R14-2-211.A.5 shall not be eligible for Schedule RPS. These ineligible Customers include, but are not limited to, those where termination of service would be especially dangerous to the health of the customer, as determined by a licensed medical physician; those customers where life supporting equipment used in the home is dependent on utility service; and those customers where weather would be especially dangerous to health.

APPLICATION: This Schedule is for alternating current electric service supplied at approximately 120 / 240 volts at a maximum of 200 amps through one kilowatt-hour meter at a single point of delivery for all service required on the premises for residential purposes. Applicable, by request of the customer only, to a customer otherwise served under the Cooperative's Residential Service, Rate Schedule RES01 for all Single Family Dwellings when all service is supplied at one Point of Delivery through a single Service Line and Energy is metered through one Meter.

MONTHLY BILL: Base Rate: \$ 22.00 per month
 Energy Charge: \$ 0.07180 per kWh

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the customer and the Cooperative. The Electric Service Regulations of the Cooperative on file with and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement. The following Billing provisions of the Electric Service Regulations of the Association shall NOT apply to this rate schedule: Section 47: Billing Periods, Section 48: Minimums, Section 50: Billing Seasonal Customers, Section 51: Payment of Bills and Section 53: Charge for Restoring Service.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Cooperative's cost of purchased power. The Cooperative's base cost of power is \$0.037493. Rates are subject to the imposition of any purchased power adjustment, reflecting changes in this cost either upward or downward, which may be established for billing from time to time.

EXPERIMENTAL SERVICE CONDITIONS APPLICABLE TO PREPAID METERING SERVICE ONLY

A. Availability:

The Prepaid Electric Service is available only to new or existing residential customers with the following exceptions:

1. Residential critical load customers are excluded from the prepaid electric service program.
2. Customers identified under AAC R14-2-211.A.5 and those customers under appropriate circumstances but beyond the scope of AAC R14-211.A.5 are not eligible for this rate.
3. Invoice groups which include loans or special billing.
4. Customer must have a valid email account and phone capable of receiving the messages and low balance alerts.

GARKANE ENERGY COOPERATIVE, INC.

**ELECTRIC SERVICE
SCHEDULE NO. RES02
STATE OF ARIZONA**

RESIDENTIAL PREPAID SERVICE

(Page 2)

B. Enrollment:

The Customer must make a request and complete a Prepaid Electric Service Application.

1. In addition to the information provided in Rule 101, the prepaid applicant is encouraged to provide the following:
 - a. Secondary email address;
 - b. Cell phone number with text capability and/or second phone number; and
 - c. Other approved method of communication other than US Postal Mail.
2. The Cooperative will allow enrollment into prepaid service if the customer meets the eligibility requirements including:
 - a. The Customer must pay all applicable fees prior to commencement of service.
 - b. \$50.00 credit balance has been established to activate the account.

C. Billing, Payments and Information:

Paper statements will not be provided under the prepaid program. Billing information, as well as payment and account information can be obtained at:

1. Garkane business offices during normal business hours.
2. Integrated Voice Recognition (IVR) at _____ or _____.
3. Online at www.garkaneenergy.com 24 hours a day.

D. Estimating Prepaid Balances and Customer Notices:

1. Garkane can provide an estimate based upon the most current use of the customer, of the suggestion amount to be initially deposited with Garkane and the estimated days that such prepayment should provide paid electric service for the customer.
2. As energy is consumed, the credit balance is reduced until either the balance is exhausted or additional payments are added to the balance. Balances can be checked online at www.garkaneenergy.com any time. Upon request, Customers can be notified of their estimated balance by email, and/or other electronic means if customer provides the necessary contact information.
 - a. The notice will be generated daily when the Customer's credit balance is less than their current daily average usage times four (4). The daily average usage will be calculated using up to the previous thirty (30) days of consumption history.
 - b. These estimates are based on the historic information available but can be affected by changes in the customer's usage or needs. The customer is responsible for ensuring that a credit balance is maintained on the account.

E. Transfers and Optional Debt Recovery for Outstanding Balances:

1. Accounts that are on existing post-paid electric service may be converted to prepaid electric service.
2. When an existing customer converts from post-paid residential service, the existing deposit, if any, is applied toward any outstanding balance of the post-paid account with the remaining credit applied to prepaid service.
3. All post-paid fees and unbilled energy charges must be paid in full except for the provisions below:
 - a. There is a debt recovery feature available within limits to recover amounts due from a prior post-paid account, when applying for prepaid service. A percentage (20% to 50%) of each prepaid electric service payment can be applied to an outstanding debt up to \$400.00.

GARKANE ENERGY COOPERATIVE, INC.

**ELECTRIC SERVICE
SCHEDULE NO. RES02
STATE OF ARIZONA**

RESIDENTIAL PREPAID SERVICE

(Page 3)

- b. Outstanding amounts over \$400.00 must be paid down to the \$400.00 level prior to being eligible for the prepaid electric service program.
- c. The Customer agrees to make prepaid payments of sufficient amounts to pay down the outstanding amounts in no more than four (4) months.
- d. If the Customer fails to pay the outstanding balance within the four (4) months allowed, Garkane has the right to disconnect the prepaid service until the outstanding balance is paid in full.
- 4. Garkane will transfer the existing membership fee on the post-paid to the new account where the customer will not be required to make an additional payment.
- 5. The customer may elect to convert from prepaid electric service back to post-paid service. At which time, the Cooperative may require full payment of the deposit to continue service. Customers who cancel their prepaid accounts may not re-apply for a new Prepaid account at the same location for a six (6) month period.

F. Terminating and Restoring Prepaid Electric Service:

Prepaid meters are equipped to allow remote disconnection / reconnection of service.

- 1. Service terminated at the request of the customer will receive a refund of any remaining credit on the account after all final bill amounts have been calculated.
- 2. Electric service may be subject to immediate disconnection any time the account does not have a credit balance.
- 3. Following a disconnect because the account does not have a credit balance, the customer must pay any unpaid balance from the result of energy consumption from the time the account has reached a zero (\$0.00) balance and when the Cooperative issued the disconnection command, plus purchase a minimum of \$20.00 prepaid electric service, if applicable, before service is reconnected.
- 4. If an account is disconnected because the account does not have a credit balance and does not become current after ten (10) days, the account will be considered closed and the Cooperative will mail a final bill to the last known address of the customer on file for all unpaid charges.
- 5. Service will not be disconnected where weather will be especially dangerous to health as defined in the Cooperative's Rules or as determined by the Commission.

TAX ADJUSTMENTS AND REGULATORY ASSETS: Total monthly sales for electric service are subject to adjustment for all federal, state and local government taxes or levies on such sales and any regulatory agencies on utility gross revenues.

APPROVED:
EFFECTIVE:

GARKANE ENERGY COOPERATIVE, INC.

**ELECTRIC SERVICE
SCHEDULE SC
STATE OF ARIZONA**

SERVICE CHARGES

(Page 1)

This schedule sets the amounts for impact fees, various services, and other miscellaneous charges authorized in the Rules and Regulations of either the Arizona Corporation Commission or Garkane Energy Cooperative, Inc.

The impact fee shall be based upon the service entrance main breaker and/or fuse sets amperage and nominal service voltage. Where there are more than one service entrance main breakers and/or fuse sets the impact fee shall be based upon the sum of such devices.

Service entrances which are upgraded and result in increased capacity shall be assessed an impact fee equal to the difference between the original service entrance size and the upgraded service entrance size. Service entrances which are upgraded for safety reasons or system improvements without increase in service capacity may have the impact fee waved

In new subdivisions impact fees shall be assessed to the Subdivision Developer. The Subdivision Developer shall pay the required impact fees for a minimum 100 amp service per lot. Once the lot has been sold and the lot owner request service to the lot, the lot owner will be required to pay any additional impact fee based on his/her service requirements over the minimum 100 amp service paid by the Subdivision Developer.

This schedule sets the amounts for various service and other miscellaneous charges authorized in the Rules and Regulations of either the Arizona Corporation Commission or Garkane Energy Cooperative, Inc.

IMPACT FEES

RESIDENTIAL OR NON-DEMAND SERVICES

(Single Phase 120/240 volt Service)

OVERHEAD OR UNDERGROUND SYSTEM CONNECTION

0-60 amps \$ 150.00

61-200 amps \$ 500.00

Each additional 100 amps, or portion thereof \$1,000.00

COMMERCIAL, IRRIGATIONAL, GENERAL SERVICE, OR ALL OTHER SERVICES

Installed Meter Capacity \$ 40/kW

or Minimum Impact Fee \$ 576.00

Upgrading of existing service will require payment of the applicable impact fees based on the difference in cost between the calculation of the exiting installation size and capacity versus the cost of the new installation in size and capacity.

GARKANE ENERGY COOPERATIVE, INC.

**ELECTRIC SERVICE
SCHEDULE SC
STATE OF ARIZONA**

SERVICE CHARGES

(Page 2)

CHARGES FOR ELECTRIC SERVICE CONNECTIONS (EXCLUSIVE OF ANY APPLICABLE CHARGES FOR LINE EXTENSIONS)

A.	NEW SERVICE	\$ 50.00
B.	ADDITIONAL SERVICE	\$ 30.00
C.	SERVICE CONNECTION CALLBACKS	\$ 75.00

Note: The charges for service connections are for standard connections. A customer who requests that service be provided in a non-standard manner will be required to pay, in addition to the service connection charge, any additional costs for such service connection in excess of the service connection charge. Additional service charges relate to requests for each additional service connection or location change to a new service address. Callback service charges relate to a return trip to connect electric service, when a customer provided an inaccurate service address, postpones, or cancels a service order already completed.

SERVICE CALLS DURING REGULAR WORKING HOURS \$ 50.00

SERVICE CALLS AFTER REGULAR WORKING HOURS ACTUAL COST OR
A MINIMUM OF \$50.00

Note: Charges for service calls relate generally to reconnects of previously disconnected service or interruptions of service caused by the consumer's negligence. After hours charges also apply for regular service connections requested by the consumer during this period.

METER TEST per Rule R14-2-209F	\$ 20.00
METER REREADS per Rule R14-2-209C	\$ 15.00
RETURNED CHECKS	\$ 25.00
LATE PAYMENT CHARGE	1.5% (per month)
FIELD COLLECTION CALL	\$ 25.00
DEFERRED PAYMENT PLAN FINANCE CHARGE	1.5% (per month)
TEMPORARY TEST PROVISION	\$ 50.00

Note: Customers may request a temporary connection of service for the purpose of testing a pump or other equipment. A one-time fee is required for this service along with the applicable charge for the energy used. This service is available for a maximum connection time of seven (7) days.

APPLICABLE TAXES AND CHARGES: In the event any taxing body shall impose or increase any franchise, occupation, sales, license, excise or other tax or charge of any kind or nature, including taxes or charges based upon the charges listed above the receipts or income therefrom, the pro-rata amount thereof will be added to and, as part of the effective rate, separately itemized and billed to all Customers in the area or locality in which such tax or charge applies.

APPROVED:
EFFECTIVE:

GARKANE ENERGY COOPERATIVE, INC.

ELECTRIC SERVICE

SCHEDULE NO. 33

STATE OF ARIZONA

NET METERING SERVICE

(Page 1)

AVAILABILITY: Net Metering service is available to Residential consumers with a qualifying generator as defined below. The capacity of individual motors served under this Schedule will not exceed 10 H.P. This rate not for resale use.

APPLICATION: This Schedule is for alternating current electric service supplied at approximately 120 / 240 volts, single-phase, not to exceed 200 amps through one kilowatt hour meter at a single point of delivery for all service required on the premises for residential purposes.

When a portion of a dwelling is used regularly for business, professional or other gainful purpose, the premises will be classified non-residential and the appropriate schedule applied. However, if the wiring is so arranged that the service for residential purposes can be metered separately, the Schedule will be applied to such service.

When service is supplied through one meter to more than one dwelling or apartment unit for more than 30 days, the charge for such service shall be computed by multiplying the customer charge by the number of dwelling or apartment units served.

Meters that are not accessible for the regular monthly reading will be billed under the Estimated Billing Regulation.

GENERATOR REQUIREMENTS:

Interconnected Generators must meet ALL of the following conditions:

1. Generator must be installed at a service receiving electric service on or adjacent to the customer's Primary Service, subject to the Cooperative's service requirements (Primary Service).
2. Generator must be incidental to the Primary Service, installed on the customer's premises, and used to supply some or all of the customer's loads.
3. Generator uses renewable resources. Renewable resources means natural resources that can be replenished by natural processes, including Biomass, Biogas, Geothermal, Hydroelectric, Solar, and Wind.
4. Generator capacity shall not be more than 25 kilowatts for a residential facility, unless the governing authority approves a greater generation capacity.
5. Generator must have the same output voltage and phasing as the Primary Service.
6. Generator must be controlled by an Integrated Control Package, which has been designed, tested, and certified to UL1741 and IEEE1547 standards.
7. Generator must have positive "anti-islanding" capability per U11741.
8. Generator must have output voltage with less than 2% Total Harmonic Distortion (THD), current output with less than 4% THD, and be operated with a 1.0 to .95% lagging Power Factor. Leading power factor operation will not be permitted.

GARKANE ENERGY COOPERATIVE, INC.

ELECTRIC SERVICE
SCHEDULE NO. 33
STATE OF ARIZONA

NET METERING SERVICE

(Page 2)

9. Generator over 10 kW must be provided with a "Visible Disconnect Switch" per NESC requirements which can be padlocked in the OPEN position and is accessible to Garkane personnel at all times. Disconnect must be permanently and visibly marked as "GENERATOR DISCONNECT." Location of Disconnect MUST be APPROVED prior to installation by Garkane.
10. The electrical function, operation, or capacity of a customer generation system, at the point of connection to the electrical corporation's distribution system, shall not compromise the quality of service to the electrical corporation's other customers.
11. Service under this schedule will require the installation of In/Out Directional Metering prior to the initiation of service. Customer shall pay for the cost of the Directional Meter.
12. "Net electricity" means the difference between the amount of electricity that an electrical corporation supplies to a customer participating in a net metering program and the amount of customer generated electricity.

METERED ENERGY: "Net metering" means measuring for the applicable billing period the difference between the amount of electricity that an electrical corporation supplies to a customer participating in a net metering program and the amount of customer-generated electricity.

MONTHLY BILL:

Base Rate - per month or portion thereof -	\$35.00
Energy Charge - All kWh taken from the System -	\$ 0.0718
Energy Credit - All kWh delivered to the System -	\$ 0.026

TEMPORARY DISCONTINUANCE OF SERVICE: If a consumer requests reconnection of service at the same location, he shall be required to pay the Base Rate for each of the intervening months. Non-use of service for 12 months shall make the premises subject to removal under the Idle Service Regulation.

ELECTRIC SERVICE REGULATIONS: Service under this schedule will be in accordance with the above conditions and the Electric Service Agreement between the customer and the Cooperative. The Electric Service Regulations of the Cooperative on file with, and approved by the Arizona Corporation Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

WHOLESALE POWER COST ADJUSTMENT: The foregoing rates are based upon the Cooperative's cost of purchased power. The above rates are subject to the imposition of any purchased power adjustment either upward or downward, which may be established and approved for billing from time to time under established procedures.

TERMS OF PAYMENT: Above rates are NET and are DUE and PAYABLE within fifteen (15) days from the date of the bill. Credits due under this account will be credited to the Energy Charges due for the Primary Service Account unless otherwise agreed to under Meter Aggregation Terms (Rule 746-312-15). Unused credits expire at the end of each calendar year.

APPROVED:
EFFECTIVE:

GARKANE ENERGY COOPERATIVE, INC.

**ELECTRIC SERVICE
SCHEDULE QF-1
STATE OF ARIZONA**

COGENERATION QUALIFYING FACILITIES OF 100 KW AND LESS

AVAILABILITY: In the Cooperative's Certificated Area where its facilities are of adequate capacity and the required phase and suitable voltage are in existence and are adjacent to the premises served.

APPLICATION: The Co-Generation Qualifying Facilities Rate (QF-1) is applicable to owners of co-generation qualifying facilities and small power production facilities of 100 kW and less who are retail customers and who enter into a written contract with the Cooperative with respect to such service. Service shall be supplied at one point of delivery where part or all of the electrical requirements of the customer can be supplied from a source or sources, owned by the customer, and where such sources are connected for parallel operation of the customer's system with the system of the Cooperative. Customer sources may include but are not limited to windmills, water wheels, solar conversion, and geothermal devices, each of which is capable of generating 100 kW or less.

TYPE OF SERVICE: The type of service furnished the customer pursuant to this rate tariff shall be determined in the reasonable discretion of the Cooperative.

MONTHLY RATE: All purchases from the Cooperative and sales to the Cooperative shall be treated separately. For capacity and energy supplied by the Cooperative to the customer, the applicable rate shall apply. In addition, the customer will be required to pay an additional customer charge as follows:

Residential	\$13.00 Monthly
Residential Colorado City	\$13.00 Monthly
General Service 1	\$25.00 Monthly
General Service 2	\$35.00 Monthly
Irrigation	\$50.00 Annually

For energy supplied by the customer to the Cooperative, the rates shall be as follows:

For non-firm power, the purchase rate will be \$0.0260 per kWh generated and delivered onto the Cooperative's system. For firm service, the purchase rate will be the non-firm purchase rate plus ten percent (10%).

SERVICE CONDITIONS: The Service Conditions of the Cooperative, on file with the Arizona Corporation Commission, shall apply to this schedule. Cooperative policy regarding Meter reading intervals terms of payments, extended billing periods, and collection policy, as filed and approved by the Arizona Corporation Commission, are stated and published in the Cooperative's Service Conditions.

CONTRACT PERIOD: As provided in the Cooperative's agreement for service with the customer.

APPROVED:
EFFECTIVE:

GARKANE ENERGY COOPERATIVE, INC.

ELECTRIC SERVICE

SCHEDULE QF-2

STATE OF ARIZONA

**OPTIONAL ELECTRIC SERVICE FOR QUALIFIED COGENERATION
AND SMALL POWER PRODUCTION FACILITIES OVER 100 KW**

(Page 1)

AVAILABILITY: In all territory served by the Cooperative where facilities of adequate capacity and suitable voltages are adjacent to the premises served and when all applicable provisions described herein have been met.

APPLICATION: The Optional Electric Service for Qualified Cogeneration and Small Power Production Facilities over 100 kW (QF-2) is applicable to customers of the Cooperative that own and operate qualified cogeneration and small power production facilities of 100 kW or more that meet qualifying status as defined under 18 CFR, Chapter 1, Part 292, Subpart B of the Federal Energy Regulatory Commission's regulations and pursuant to the Arizona Corporation Commission's Decision No. 53245. The facility's generator(s) and customer's load must be located at the same premise. The owner of the Qualifying Facility (QF) shall enter into a contract pertaining to the operation of the QF by the QF owner with the Cooperative.

SUPPLEMENTARY POWER:

A. Definition of Supplementary Power

Supplementary power is the kW capacity and related kWh energy purchased by the QF in excess of the production capability of the QF's generating equipment.

B. Rates

The rates charged for supplementary power shall be the appropriate retail Tariff of the Cooperative which is applicable to the QF's class of service or any new retail rate agreed to by the parties and approved by the Arizona Corporation Commission.

C. Determination of Supplementary Energy

Supplementary energy shall be equal to the metered kWh being supplied to the the QF, less any kWh billed as standby or maintenance energy.

D. Determination of Supplemental Demand

Supplemental demand shall be the greater of:

- i. The metered demand, measured in accordance with the Cooperative's appropriate standard offer retail rate schedule, less any standby and maintenance demand; or
- ii. The minimum supplemental billing demand specified in the QF's contract.

STANDBY AND MAINTENANCE POWER:

A. Definition of Standby - Maintenance Power

Standby and maintenance power is the kW capacity and related kWh supplied by the Cooperative attributable to forced or scheduled outages by the QF, respectively.

GARKANE ENERGY COOPERATIVE, INC.

ELECTRIC SERVICE

SCHEDULE QF-2

STATE OF ARIZONA

**OPTIONAL ELECTRIC SERVICE FOR QUALIFIED COGENERATION
AND SMALL POWER PRODUCTION FACILITIES OVER 100 KW**

(Page 2)

B. Rates

Reservation / Capacity Charge

The reservation / capacity charge for standby and maintenance power shall be the sum of the distribution billing demand charge in the applicable retail rate schedule, plus the applicable demand charges in the wholesale supplier's tariff each month, multiplied by the contract Standby Capacity, as determined in Section E. of this section.

Energy Charge

The rate applicable to standby and maintenance energy shall be the sum of the distribution energy charge in the applicable retail rate schedule plus the current energy rate from the wholesale supplier multiplied by the sum of the Standby Energy and Maintenance Energy as determined in Sections C and D of this section.

C. Determination of Standby Energy

Standby energy is defined as electric energy supplied by the Cooperative to replace power ordinarily generated by the customer's generation facility during unscheduled full and partial outages of said facility. Standby energy is equal to the difference between the maximum energy output of the customer's generator(s) and the energy measured on the customer's generator meter(s) for the billing period, except those periods where energy supplied by the Cooperative is zero.

D. Determination of Maintenance Energy

Maintenance energy is defined as energy supplied to the customer to a maximum of the Contract Standby Capacity times the hours in the Scheduled Maintenance period. Maintenance periods shall not exceed 30 days and must be scheduled during off peak months. Customer shall supply the Cooperative with a maintenance Schedule for a 12-month period at least 60 days prior to the beginning of that period, which is subject to the Cooperative's approval. Energy used in excess of a 30-day period of unauthorized maintenance energy shall be billed on the Supplemental Power Rate as specified in this Schedule.

E. Contract Standby Capacity kW

Contract Standby Capacity kilowatt (kW) amount is the amount of cogeneration or self-generation capacity for which the customer contracts with the Cooperative for Standby Service. If the contract Standby Capacity is exceeded and not covered by the Supplementary Power provisions of this tariff, then the contract standby capacity is automatically increased to the new level. The Contract Standby Capacity kW cannot exceed the maximum net output rating(s) of the connected generator(s).

GARKANE ENERGY COOPERATIVE, INC.

**ELECTRIC SERVICE
SCHEDULE QF-2
STATE OF ARIZONA**

**OPTIONAL ELECTRIC SERVICE FOR QUALIFIED COGENERATION
AND SMALL POWER PRODUCTION FACILITIES OVER 100 KW**

(Page 3)

BASIC SERVICE CHARGE: The monthly basic service charge shall be the service charge contained in the Cooperative's current applicable retail rate schedule, plus an additional \$35 per month.

INTERCONNECTION CHARGE: The QF shall pay all costs associated with any and all additions, modifications or alterations to the cooperative's electric system necessitated or incurred in the establishment and operation of the interconnection with the QF, including but not limited to any and all modification required for the metering of power and energy or for the efficient, safe and reliable operation of the QF's facilities.

FACILITY CHARGE ON DEDICATED FACILITIES: The QF shall be required to pay to the Cooperative a monthly facilities charge to recover all related costs of any dedicated facilities constructed to serve the QF on a firm power and energy basis.

SERVICE CONDITIONS: The Service Conditions of the Cooperative, on file with the ACC, shall apply to this schedule. Cooperative policy regarding Meter reading intervals terms of payments, extended billing periods and collection policy, as filed and approved by the ACC, are stated and published in the Cooperative's Service Conditions.

CONTRACT PERIOD: As provided in the Cooperative's agreement for service with the customer.

APPROVED:

EFFECTIVE:

ATTACHMENT 4

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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

SUSAN BITTER SMITH, Chairman
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE

IN THE MATTER OF THE APPLICATION
OF GARKANE ENERGY COOPERATIVE,
INC., AN ELECTRIC COOPERATIVE
NONPROFIT MEMBERSHIP
CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE
OF ITS PROPERTY FOR RATEMAKING
PURPOSES, TO FIX A JUST AND
REASONABLE RETURN THEREON AND
TO APPROVE RATES DESIGNED TO
DEVELOP SUCH RETURN AND
REQUEST FOR WAIVER.

DOCKET NO. E-01891A-15-_____

PRE-FILED DIRECT TESTIMONY OF DAVID HEDRICK

**ON BEHALF OF GARKANE ENERGY
COOPERATIVE, INC.**

MAY 29, 2015

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INDEX TO TESTIMONY OF DAVID W. HEDRICK

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BACKGROUND AND PURPOSE

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is David W. Hedrick and my business address is 5555 North Grand Boulevard, Oklahoma City, Oklahoma 73112-5507.

Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?

A. I am employed by Guernsey, Engineers, Architects and Consultants. I am Senior Vice-President and Manager of the Analytical Services group.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND WORK EXPERIENCE.

A. I have earned a Bachelor of Science degree from the University of Central Oklahoma in mathematics and a M.B.A degree from Oklahoma City University. I have been employed with Guernsey since 1981. My primary area of responsibility is rate analysis and cost of service work for electric distribution cooperatives and electric generation/transmission cooperatives. Exhibit DWH -1 is my resume with a listing of the projects and clients with which I have been involved.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE REGULATORY COMMISSIONS?

A. Yes. I have testified before the Arizona Corporation Commission, the Arkansas Public Service Commission, the Colorado Corporation Commission, the Oklahoma Corporation Commission, the Public Utility Commission of Texas and the Wyoming Public Service Commission.

1 Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS MATTER?
2 A. I am testifying on behalf of Garkane Energy Cooperative, Inc. ("GEC" or the
3 "Cooperative").
4
5 Q. ARE YOU AUTHORIZED TO TESTIFY ON BEHALF OF GEC?
6 A. Yes, I am.
7
8 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS
9 PROCEEDING?
10 A. My testimony will provide the following:
11 a. A discussion of GEC's objectives in this filing and an overview of the rate
12 filing package;
13 b. A discussion of the development of the revenue requirement for GEC;
14 c. A description of the development of the cost of service study;
15 d. A discussion of the rate design and the impact on members;
16 e. A discussion of the proposed billing adjustments;
17 f. A description of the proposed tariff changes;
18 g. A discussion of the proposed changes to the service conditions;
19 h. A discussion of the proposed net metering tariff; and
20 i. A discussion of the proposed line extension policy.
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GEC OBJECTIVES AND OVERVIEW OF RATE FILING

Q. PLEASE GENERALLY DESCRIBE GEC, ITS SERVICE TERRITORY AND ITS CUSTOMER BASE.

A. GEC is a member owned non-profit electric cooperative. It is governed by an 11 member Board of Directors elected by its member-customers. Its 16,000 square miles of service territory encompasses parts of six (6) counties in South-Central Utah, as well as part of Mohave and Coconino Counties, Arizona. 90% of its service territory consists of federal and state lands, including four (4) National Parks, two (2) National Monuments and a National Recreational Area. Despite its extensive service territory, GEC serves only 11,405 members in Utah and 1,439 members in Arizona. Approximately 82% of GEC's total revenue is generated from Utah members. GEC's elected Board of Directors has authority to approve rates for its Utah member/customers, following notice and hearing. Rates are established to allow the Cooperative to provide safe and reliable electric service to its members at the lowest reasonable rate consistent with good utility practices and maintaining the financial integrity of the Cooperative. Positive margins are allocated among all active member accounts as capital credits. Capital credits are retired pursuant to a regular cycle established by the Board, subject to the financial condition of the Cooperative. GEC is operated as a single system. The division between Arizona and Utah is driven solely by the happenstance of jurisdictional boundaries of two adjoining States; not by operational realities.

1 **Q. WHEN DID GEC LAST RECEIVE A GENERAL ADJUSTMENT IN ITS**
2 **RATES FOR ITS ARIZONA CUSTOMERS?**

3 A. GEC last secured a general adjustment in rates effective with usage on and after
4 September 1, 1998 by Decision No. 61105 based upon an adjusted test year ending
5 December 31, 1996. I note that the Special Large General Service rate schedule
6 remained unchanged from that approved by Decision No. 57106 dated September
7 21, 1990. Additionally, the Commission approved revisions to GEC's line
8 extension policy, including connection and impact fees by Decision No. 69915,
9 dated September 27, 2007 and the rate schedules for Colorado City by Decision
10 No. 70979, dated May 5, 2009 in connection with GEC's acquisition of the service
11 territory, system and customers then being served by a municipal utility known as
12 the Twin Cities Power Authority.

13
14 **Q. DURING THE INTERVENING 17 YEARS SINCE A GENERAL RATE**
15 **INCREASE IN ARIZONA, HOW MANY GENERAL RATE INCREASES**
16 **HAVE BEEN APPROVED FOR GEC'S UTAH CUSTOMERS?**

17 A. The GEC Board of Directors has authority to implement rate changes for its Utah
18 customers and has done so four (4) times since September 1, 1998, including rates
19 that went into effect on May 1, 2015.

20
21 **Q. WHAT ARE GEC'S OBJECTIVES IN THIS FILING?**

22 A. GEC's objectives in this filing are:

- 23 a. Increase the total system revenue requirement by \$799,289, as reflected on
24 Exhibit DWH-6 to this testimony and on Schedule A-1.0, p. 1 to Attachment
25 6 of the GEC Application. This is an amount sufficient to recover the

1 \$792,887 annual increase in wholesale power cost and a small increase in
2 the connection charges in Arizona. Under the GEC Board's proposal, the
3 amount of revenue collected from Arizona customers will actually be
4 reduced by \$152,128 or 3.33% compared to the adjusted test year revenue,
5 as reflected on Schedule A-1.0, p. 2 to Attachment 6 of the GEC
6 Application;

- 7 b. Update its line extension policy and increase the connect charge for the
8 Arizona portion of the system, to follow the line extension policy and
9 connect charges in place in Utah;
- 10 c. Make revisions to the Arizona rate schedules to move toward uniform
11 system-wide rates and be more reflective of GEC's cost of serving each
12 customer class;
- 13 d. Make revisions to the rates charged in the twin cities of Colorado City,
14 Arizona and Hildale, Utah to eliminate the separate surcharge approved by
15 Decision No. 70979 in connection with GEC's acquisition of this system
16 and service territory and move the rates closer to the rates GEC charges
17 outside of the twin cities;
- 18 e. Re-base the Wholesale Power Cost Adjustment to reflect the current cost of
19 purchased power;
- 20 f. Include a Prepaid Service tariff and Net Metering tariff for Arizona
21 consistent with those in effect for Utah; and
- 22 g. Update and revise the tariffs and service conditions to correspond to the
23 terms and conditions in place in Utah.
- 24
25

1 **Q. HAS THE BOARD OF DIRECTORS OF GEC APPROVED THIS RATE**
2 **FILING BASED ON THESE OBJECTIVES?**

3 A. Yes. The GEC Board of Directors approved the filing at its meeting in March,
4 2015.

5
6 **Q. DOES THIS RATE FILING MEET THE REQUIREMENTS AS SET**
7 **FORTH IN THE COMMISSION'S RULES?**

8 A. GEC believes this filing is in compliance with the requirements in A.A.C. R14-2-
9 103 for Class B electric utilities and contains the required schedules and data
10 necessary for the Commission's review and approval of the proposed rates. In
11 addition to its docketed Application, GEC is providing Commission Staff its work
12 papers and information in electronic form on a flash drive at the time of filing.
13 While not required by Commission rule, GEC understands such information, when
14 provided, facilitates Staff's review of the Application. GEC appreciates the
15 opportunity it was afforded to meet and discuss the objectives of this filing with
16 Staff prior to the filing of this Application. GEC intends to cooperate with Staff
17 throughout the processing of this Application and hopes an expedited and fair final
18 determination can be obtained at a reasonable cost to GEC and its members.

19
20 **Q. WERE THE SCHEDULES THAT ARE INCLUDED AS ATTACHMENT 6**
21 **TO GEC'S RATE APPLICATION PREPARED BY YOU OR UNDER**
22 **YOUR SUPERVISION?**

23 A. Yes. GEC witness Rebecca Payne was responsible for development of the
24 adjustments set forth in the C Schedules contained in Attachment 6 to GEC's
25 Application.

1 Q. WHAT IS THE TEST YEAR IN THIS RATE FILING?

2 A. The test year is the twelve months ending December 31, 2013.

3
4 Q. WHY WAS THE 2013 TEST YEAR SELECTED INSTEAD OF A MORE
5 CURRENT TWELVE MONTH PERIOD?

6 A. Purchased power is GEC's single largest expense. In October of 2014, GEC was
7 notified by its power supplier Deseret of an increase in power cost charges effective
8 January 1, 2015. Upon notification, GEC contacted Guernsey to begin developing a
9 rate analysis and cost of service study. The key objective was to ensure a timely
10 recovery of the increase in wholesale power cost in a manner consistent with
11 GEC's cost of service. The most recent audited data available to GEC was and
12 still is the 2013 calendar year. Thus, using the December 2013 test year allowed
13 GEC to develop the rate analysis and cost of service, revise rates and present the
14 results for approval by the Board of Directors at the March 30, 2015 meeting. The
15 approved rates became effective on May 1, 2015. By utilizing the 2013 test year,
16 GEC has been able to expedite a rate change for the majority of members. Use of a
17 more recent 12 month period would have delayed the analysis, and thus the
18 implementation of new rates in Utah, anywhere from two (2) to six (6) months.
19 The delay would have been even longer to compile the extensive schedules and
20 supporting data required by A.A.C. R14-2-103. Moreover, the more recent data
21 would not have been audited by an outside accounting firm.

22

23

24

25

1 Q. SHOULD THE USE OF A 2013 TEST YEAR MATERIALLY IMPACT
2 GEC'S FILING IN ARIZONA?

3 A. No. GEC is a small, slow growing cooperative. The most significant change is the
4 increase in power cost. Other adjustments for known and measurable changes have
5 been recognized in the development of the rate filing. The GEC Board of Directors
6 has already taken action based on the 2013 test year data. GEC believes it would
7 be most appropriate for Arizona customers to have rates set upon the same test year
8 so that rates are established system-wide on the same data. Establishing rates on a
9 system-wide basis on an adjusted 2013 test year results in an overall modest
10 reduction in the revenue requirement for the Arizona portion of GEC's system.
11

12 Q. WHAT ADJUSTMENTS HAVE BEEN PROPOSED TO THE TEST YEAR?

13 A. GEC witness Rebecca Payne discusses the development of the adjustments to the
14 test year in her testimony. The adjustments to revenue, operating expenses and
15 interest expense are for changes that are known, measurable and of a continuing
16 nature. The intent was to include those adjustments which would accurately reflect
17 GEC's operations on a going forward basis that are reasonable and consistent with
18 the standard rate making process at the Commission.
19

20 Q. ARE THERE ANY OUTSTANDING COMPLIANCE ISSUES OF WHICH
21 GEC IS AWARE?

22 A. No.
23
24
25

- 1 • Maintain the cash position of the cooperative at the test year end
- 2 level.
- 3 • Maintain capital credit retirements in the \$500,000 range.
- 4 • Maintain adequate Times Interest Earned Ratios (TIER) and Debt
- 5 Service Coverage Ratios (DSC).

6 These were the objectives used as the criteria in determining whether the proposed
7 rate increase of \$799,289 was sufficient. The financial analysis indicates the
8 proposed rate increase amount will allow GEC to meet the Board's objectives as
9 set forth above.

10
11 **Q. PLEASE DESCRIBE THE FINANCIAL ANALYSIS SUPPORTING THE**
12 **OVERALL SYSTEM RATE CHANGE AND REVENUE REQUIREMENT?**

13 A. Attached to my testimony are exhibits comprising the financial analysis.

- 14 • Exhibit DWH-2 shows the system capitalization and the equity as a percent
- 15 of assets for the test year and the previous five (5) years. The equity has
- 16 grown from 36.41% in 2008 to 46% at the end of the test year. The
- 17 financial objective of the board is to maintain an equity of 40% - 50%.
- 18 • Exhibit DWH-3 shows the historical and projected plant additions. The
- 19 projected plant additions for the next five (5) years are similar to the
- 20 additions for the last four (4) years.
- 21 • Exhibit DWH-4 shows the capital credits retired during the last six (6)
- 22 years. GEC has consistently retired approximately \$500,000 during each of
- 23 the last four (4) years.
- 24 • Exhibit DWH-5 shows the calculation of desired general funds. The major
- 25 components making up the annual cash requirement are listed as well as the

1 total plant balance. The estimated general funds at the end of the test year
2 were \$1,889,420 which were equivalent to 35.76 days of cash and 1.84% of
3 plant.

- 4 • Exhibit DWH-6 shows the development of the cash revenue requirement
5 based on the data from Exhibits DWH 2 – 5. The right half of the exhibit
6 recaps the cash general fund requirement. GEC determined that the cash on
7 hand at the end of the test year was sufficient and there was no need to
8 increase the level of cash. The left half of the exhibit calculates the cash
9 requirement starting with the amount needed to maintain a 48.5% equity on
10 \$6,000,000 projected plant addition. Other components of the cash revenue
11 requirement include the \$500,000 capital credit retirement and the principal
12 payments of \$1,446,949. The total cash revenue requirement needed to
13 meet the equity objective, the capital credit retirement objective, the
14 required cash level and pay principal payments is \$4,883,731. The cash
15 produced from existing operations consists of the adjusted test year
16 operating margin of \$1,171,743 from Schedule A-2.0, depreciation and non-
17 cash expenses of \$2,871,262 and interest income of \$41,437 totaling
18 \$4,084,442. The difference between the amount needed and the existing
19 amount produced is \$799,289.

20 Based on the analysis shown on Exhibit DWH-6, the cash revenue required is
21 consistent with the proposed rate change amount which is sufficient to recover the
22 increased cost of purchased power and the increase in connection charges in
23 Arizona.

1 Q. HOW WAS THE REVENUE REQUIREMENT FOR ARIZONA MEMBERS
2 DETERMINED?

3 A. The revenue requirement for the Arizona rate classes is based on the results of the
4 cost of service study with an objective of moving toward system-wide rates.
5 Schedule G-1.0, p. 4 of 4, indicates that a reduction could be justified for the
6 Arizona portion of the system based on the results of the cost of service study.
7

8 Q. DOES GEC MAINTAIN SEPARATE ACCOUNTING RECORDS FOR THE
9 ARIZONA AND UTAH PORTIONS OF THE SYSTEM?

10 A. No. GEC's general ledger does reflect separate individual accounts for some
11 Arizona plant assets but there is no separation of expenses. The plant accounts
12 with an Arizona designation do not fully reflect an appropriate level of investment
13 related to the acquisition of the Colorado City portion of the system. The Colorado
14 City assets were acquired at a discounted value, therefore, the amount booked is
15 less than the value of those assets. GEC does not believe it is appropriate to
16 directly assign plant investment between the Arizona and Utah portions of the
17 system for purposes of designing rates based on these Arizona designated plant
18 accounts. Instead, GEC believes that a system-wide approach to the allocation of
19 plant investment and expenses by rate class as a unified cooperative is the most fair
20 and equitable approach. GEC's objective is to have system-wide rates for each rate
21 class. As such, it is important that all customers within each class be assigned
22 costs in a similar fashion regardless whether they are located in Arizona or Utah.
23
24
25

COST OF SERVICE STUDY

1 Q. WHAT IS THE PURPOSE OF THE COST OF SERVICE STUDY?

2 A. The cost of service study assigns the plant investment, operating expenses and
3 revenue associated with providing service to each customer class. When the total
4 system revenue requirement has been identified, the assignment of plant
5 investment and operating expenses to each class provides the basis for assigning
6 the revenue requirement to each class. The assignment of the class revenue
7 requirement is generally done based on the class' contribution to the system's
8 overall return or margin. The cost of service study identifies the revenue
9 deficiencies and subsidies that exist between rate classes.
10

11 In addition to determining the cost of providing service and the appropriate
12 revenue requirement for each class, the cost of service study also provides
13 important information with regard to the unbundled cost components that comprise
14 the cost to serve. These unbundled cost components can be used to develop rate
15 designs, which more accurately reflect the cost causation, giving the consumer a
16 better price signal with regard to the cost of electric service. The unbundled cost
17 components also provide the necessary information to appropriately price those
18 services, which have been deemed competitive in Arizona. Those services are
19 Metering, Meter Reading and Customer Billing.
20

21
22 Q. HAS THE COST OF SERVICE BEEN DEVELOPED USING A
23 METHODOLOGY THAT HAS BEEN ACCEPTED BY THE
24 COMMISSION?

25 A. Yes. The cost of service study uses the same program and methodology that has

1 been utilized by TRICO Electric Cooperative, Navopache Electric Cooperative,
2 Sulphur Springs Valley Electric Cooperative and Mohave Electric Cooperative in
3 their most recent rate filings. The Commission and Commission Staff deemed the
4 methodology to be reasonable and appropriate in each of these prior cases.

5
6 **Q. PLEASE DESCRIBE THE GENERAL PROCESS INVOLVED IN THE**
7 **ALLOCATION OF PLANT INVESTMENT AND EXPENSES TO THE**
8 **VARIOUS CUSTOMER CLASSES.**

9 A. The plant investment and operating expenses are first separated into functional
10 categories such as Transmission Plant, Distribution Plant, Distribution Operations
11 Expenses, Customer Accounting Expenses, etc. These plant investment and
12 operating expenses are further classified according to the unbundled cost
13 component that is appropriate. This allows the identification of the make-up of the
14 costs that are being incurred such as Transmission-Demand, Substation-Demand,
15 Purchased Power-Capacity, Purchased Power-Energy, Meter Reading etc.

16
17 If a plant investment amount or operating expense can be identified as
18 directly assignable to a particular rate class, then a direct assignment of the
19 investment or expense is made to that class. For all other plant investment and
20 expense amounts that are not directly assignable, an allocation factor based on
21 demand, energy, or number of customers is developed to assign a portion of that
22 investment and expense to the various rate classes. These allocation factors vary
23 based on the type of investment or expense being allocated. For example,
24 Transmission Plant is considered as totally demand related, therefore the allocation
25

1 factor used to assign Transmission Plant is the twelve month sum of the demand
2 for those classes utilizing the Transmission system. The energy component of
3 purchased power is allocated using an allocation factor based on each class' kWh
4 purchased from the wholesale supplier. Meter reading expenses are considered a
5 customer related cost and are allocated based on a customer allocation factor.

6 Composite allocation factors are also created as subtotals of various plant
7 accounts and expenses are made within the cost of service study. These composite
8 allocation factors are used to allocate other related plant and expense items. For
9 example, Account 583-Overhead Line Expense is allocated by a subtotal of
10 Account 364/365-Overhead Line Investment, ensuring that the expense is assigned
11 to the same classes as the investment.
12

13
14 **Q. PLEASE EXPLAIN THE GENERAL DEVELOPMENT OF THESE**
15 **ALLOCATION FACTORS?**

16 A. Schedule G-7.1 provides a summary of the initial allocation factors for the Total
17 System and Schedule G-7.2 provides a summary of the initial allocation factors for
18 the Arizona system.

19 Schedule G-7.0 (25 pages) shows the development of the initial allocation
20 factors used in the cost of service study. Additional allocation factors are
21 developed as subtotals in the cost of service study.

22 Schedule G-7.0, page 1, shows the development of the energy allocation.
23 The appropriate loss factor has been calculated using the kWh sales information by
24 class and the purchased kWh data. The overall line loss for the system is
25

1 9.446048%. The energy allocation factor is used to assign the purchased power
2 energy costs.

3 The demand allocation factors are developed on Schedules G-7.0 pages 2 -
4 10. Allocation Factor #2 on Schedule G-7.0, Page 2 of 25, is the demand
5 allocation used to assign costs for the purchased power capacity expense. This
6 allocation factor is based on each class' contribution to the monthly coincident
7 peak demand of Deseret which is used to determine the wholesale capacity billing.
8 The allocation factor is developed on Schedule I-2.0 with supporting Schedules I-
9 2.1 and I-2.2. Allocation Factor #6 on Schedule G-7.0, Page 6 of 25, is the demand
10 allocation factor used to assign purchased power delivery costs. This factor is
11 based on each class' monthly contribution to the Garkane Member coincident peak.
12 This factor is developed on Schedule I-1.0 with supporting Schedules I-1.1 and I-
13 1.2. Schedule I is not included in this filing.

14
15 Allocation Factors #9 and #10 are demand allocation factors based on the
16 class contribution to the Garkane Member coincident peak specifically for the
17 assignment of the investment in Distribution Substations and Backbone
18 Distribution line in Accounts 364 and 365. Schedule I-4.0 provides detail on the
19 development of the investment in backbone investment to be allocated.

20 Allocation Factor #11 reflects the number of single-phase customers in each
21 class and is used for the allocation of single-phase overhead line investment in
22 Accounts 364 and 365. Supporting Schedules I-3.0 and I-4.0 provide detail on the
23 consumers by class and the development of the investment in single-phase line to
24 be allocated.
25

1 Allocation Factor #12 reflects the number of three-phase customers in each
2 class and is used for the allocation of three-phase overhead extension investment in
3 Accounts 364 and 365. Supporting Schedules I-3.0 and I-4.0 provide detail on the
4 consumers by class and the development of the investment in three-phase
5 extension.

6 Allocation Factor #13 reflects the number of single-phase customers in each
7 class and is used for the allocation of single-phase underground line investment in
8 Account 366. Supporting Schedule I-5.0 provides detail on the development of the
9 single phase underground line investment.

10 Allocation Factors #14 and #15 are used to assign the customer related and
11 demand related investment associated with Account 368 – Transformers. The
12 supporting Schedule I-6.0 shows the development of these allocation factors.

13 Allocation Factor #16 shows the average number of consumers by class and
14 a weighting factor for each class reflecting the relative cost for each class of
15 providing the investment in Account 369 – Services.

16 Allocation Factor #16 shows the average number of customers by class and
17 the average cost of providing a meter for each class. This factor is used to assign
18 the investment in Account 370 – Meters.

19 Allocation Factor #18 provides a direct allocation for investment and costs
20 related to security lighting.

21 Allocation Factors #19, #20 and #21 utilize the average number of
22 customers by rate class and a weighting factor to assign the costs for Meter
23 Reading, Billing and Records, and Customer Service activities. The weighting
24
25

1 factors represent the relative cost to perform those activities for each rate class.

2 Allocation Factor #22 is based on the average number of customers and is
3 used to assign other revenue.

4 Allocation Factor #24 provides the assignment of adjusted test year base
5 revenue to each rate class.

6 Allocation Factor #25 provides the assignment of the adjusted test year
7 Power Cost Adjustment revenue.

8
9 **Q. PLEASE DESCRIBE THE COST OF SERVICE ALLOCATION**
10 **SCHEDULES IN SECTION G.**

11 **A.** Provided in Section G are the cost of service allocation schedules showing the
12 allocations to the Total System rate classes and also to the rate classes for the
13 Arizona portion of the system only. The cost of service allocation provides the
14 separation between the Utah and Arizona portions of the system.

15
16 Schedule G-4.0, pp. 1 and 2 of 11, shows the allocation of plant investment
17 to the Total System customer classes. The first column indicates the test year plant
18 balance. The second column indicates the allocation factor used and the remaining
19 columns show the allocated amount to each class of customer. Schedule G-4.1, pp.
20 1 and 2 of 11, shows the allocation of plant investment to the Arizona customer
21 classes.

22
23 Schedule G-4.0, p. 3 of 11, is the allocation of revenues to the Total System
24 customer classes. Schedule G-4.1, p. 3 of 11, is the allocation of revenues to the
25 Arizona customer classes. The base revenue and Wholesale Power Cost

1 Adjustment (WPCA) revenue allocated to each rate class are the adjusted test year
2 revenues developed in Section E.

3 Schedule G-4.0, pp. 4 – 7 of 11, shows the allocation of operating expenses
4 by account to the Total System customer classes and Schedule G-4.1, pp. 4 – 7 of
5 11, shows the allocation of operating expenses by account to the Arizona customer
6 classes. The allocation of expenses generally follows the allocation of plant
7 investment. The transmission O&M expenses are all allocated by the subtotal of
8 transmission plant. The various distribution O&M accounts are allocated in a
9 manner consistent with the allocation of the plant account or activity to which the
10 expense is associated. For example, the overhead line expense in Account 583 is
11 allocated based on the sum of Accounts 364/365. Schedule G-4.0, pp. 8 – 10 of 11,
12 shows the allocation of the payroll expenses by account to the Total System
13 customer classes. Schedule G-4.1, pp. 8 – 10 of 11, shows the allocation of payroll
14 expenses by account to the Arizona customer classes. The allocation of payroll is
15 necessary to develop the allocation factors used to assign the General Plant
16 investment and administrative and general expenses.

17
18 Schedule G-4.0, p. 11 of 11 shows the allocation of interest expense to the
19 Total system customer classes. Schedule G-4.1, p. 11 of 11 shows the allocation of
20 the interest expense to the Arizona customer classes.

21
22 **Q. PLEASE DESCRIBE THE UNBUNDLED COST COMPONENT**
23 **SCHEDULES.**

24 **A.** Schedule G-5.0, pp.1 – 5, shows the components of rate base allocated to each of
25

1 the Total System rate classes. Schedule G-5.0.1, pp. 1 – 5 shows the components
2 of rate base allocated to the Arizona rate classes.

3 Schedule G-5.1, pp.1 – 5, shows the components of plant allocated to each of the
4 Total System rate classes. Schedule G-5.1.1, pp. 1 – 5, shows the components of
5 plant allocated to each of the Arizona rate classes.

6 Schedule G-6.0, pp. 1 – 4, is the summary of the components of expense
7 allocated to each of the Total system rate classes. Schedule G-6.0.1, pp. 1 – 4 is
8 the summary of the components of expense allocated to each of the Arizona rate
9 classes. Schedule G-6.0.1, p. 4, shows a consolidation of the components of
10 expense into the four major cost categories for the Arizona rate classes. The total
11 customer related cost of providing service to the Arizona Residential class reflected
12 on this schedule is \$39.69 per customer per month. This represents the customer
13 related costs that Garkane incurs to provide distribution wires service to the
14 customer exclusive of any capacity or energy costs.
15

16 Schedule G-6.1, pp. 1 – 5, is the detail of the components of expense
17 allocation to each of the Total System rate classes. Schedule G-6.1.1 is the detail
18 of the components of expense allocation for the Arizona rate classes.
19

20 **Q. PLEASE SUMMARIZE THE RESULTS OF THE COST OF SERVICE**
21 **STUDY.**

22 A. Schedule G-1.0 shows the results of the cost of service study under the existing
23 rates for the Total System rate classes and Schedule G-1.1 shows the results of the
24 cost of service study under existing rates for the Arizona rate classes. This
25

1 schedule shows the allocated rate base, operating revenues, operating expenses,
2 resulting return, interest, resulting operating margin, and the calculated revenue
3 deficiencies for each rate class. Schedules G-2.0 and G-2.1 are the summary of the
4 cost of service study under proposed rates for Total System rate classes and
5 Arizona rate classes, respectively.

6 The revenue requirement for each class under the proposed rates was
7 determined based on the following criteria:

- 8 (a) The Board of Director's objective to revise the Arizona rates to be closer to
9 the rate approved for Utah members;
- 10 (b) The magnitude of the rate change indicated by the cost of service; and
- 11 (c) The impact of the proposed rate change upon the class.

12 The rates proposed in the filing reflect GEC's consideration of these criteria.
13
14 The rate of return on rate base has been calculated for the total GEC system and for
15 each of the rate classes in the cost of service study to be used as a measure of each
16 rate class' ability to recover costs in comparison with the total system. The
17 proposed rates are generally designed to move the individual class rates of return
18 closer to the system average where possible. The relative rate of return provides a
19 measure of how each class' rate of return changes under the proposed rates. The
20 following table summarizes the relative rate of return under existing rates for each
21 rate class on Schedule G-1.1 and the relative rate of return under proposed rates as
22 shown on Schedule G-2.1 for the Arizona rate classes.

23

24

25

	Existing RROR	Proposed RROR
Residential	1.637	1.027
General Service 1	0.766	0.505
General Service 2	4.202	2.556
Irrigation	1.251	1.007
Lighting	0.293	(0.007)
Total System	1.983	1.235

As indicated by the table, the relative rates of return under proposed rates move closer to 1.000 for all classes and the Total Arizona portion of the system except General Service 1 and Lighting, indicate a movement toward rates which more closely reflect cost. Each of the rate classes in Arizona is a subset of the total rate class for the Cooperative. The rates of return earned by the application of the proposed rates on each class are simply a fall-out of the allocation of costs to the total system rate classes and then a separation of those customers that are served in Arizona. The Cooperative believes that the results of the cost of service comparing existing and proposed rates support the reasonableness of the proposed rates given the objectives of this rate filing.

RATE DESIGN AND IMPACT ON CUSTOMERS

Q. WHAT ARE THE BASIC OBJECTIVES OF THE PROPOSED RATE DESIGN FOR EACH CLASS?

A. The basic objectives of the proposed rate design are:

- Transition the Arizona rates to be the same as the Utah rates;
- Reflect an appropriate recovery of the cost of providing service;
- Reflect the unbundled costs of providing service; and

- Reflect a consideration of the impact of the rate change on the member.

Q. WHAT ARE THE PROPOSED REVENUE CHANGES FOR EACH CLASS?

A. The proposed rate change for each rate class is shown on Schedule H-1.0. The overall change for the Arizona portion of the system is a reduction of \$152,128 or a 3.33% decrease. The proposed unbundled rate design for each Arizona rate class is shown on Schedule H-2.1.1. The proposed base cost used in the calculation of the proposed WPCA is shown on Schedule H-2.1.2. The calculation of the proposed WPCA is shown on Schedule H-2.1.3.

Q. PLEASE DESCRIBE THE PROPOSED RATE FOR RESIDENTIAL.

A. The proposed rate for the residential class results in a slight increase of 0.40%. The base charge is increased from \$12.50 to \$22.00 per month which is the base charge in Utah. The customer component of expense for the residential class as reflected on Schedule G-6.0.1, p. 4, is actually \$39.69 per month. The customer component of expense reflects GEC's cost of having the service available before any energy is actually sold to the customer. Costs included in the customer component include the customer component of distribution line expense, a portion of the transformer expense, the meter and service drop expense, meter reading and customer records expense. The increase in the customer charge moves the GEC rates in Arizona closer to, but still significantly less than the actual customer component costs. In an age where renewables, energy efficiency, and alternative providers are becoming a reality, it becomes more and more critical that the energy rate reflect the cost of energy and include as little as possible of the customer component costs. Otherwise the price of energy is improperly inflated sending the

1 wrong price signal to those evaluating these alternative sources of meeting their
2 energy needs, and the utility needs to implement adjustment clauses to offset
3 revenues lost to renewables, energy efficiency, and/or competitors.

4 The energy charge in the Residential rate has been set at the same level as
5 the first block in the Utah Residential rate. The existing Utah Residential rate has a
6 declining block energy charge with a differential of \$0.013 per kWh between the
7 first and second block. The proposed Utah Residential rate maintains the declining
8 block structure but reduces the differential to \$0.005. This is a transitional step
9 toward eliminating the declining block structure in the rate. The revision to the
10 Arizona Residential rate adopts the same customer charge and first block energy
11 charge as the approved Utah Residential rate. With this change, GEC's objective is
12 to make the Arizona and Utah rates the same in the next rate filing.

13 The comparison of the existing and proposed residential rate is shown on
14 Schedule H-4.0. As a result of the increase in the customer charge, members with
15 low usage see a higher percentage increase.

16
17 **Q. PLEASE DESCRIBE THE PROPOSED RATE DESIGN FOR**
18 **RESIDENTIAL COLORADO CITY.**

19 **A.** GEC acquired the customers and implemented rates for Colorado City in 2009.
20 The rates for Colorado City, Arizona and Hildale, Utah are the same. The rates for
21 the customers in Colorado City include an additional adjustment charge to recover
22 an additional wholesale cost rider applied only to these customers. The objective
23 for this rate is to design the rate to be more similar to the standard Residential rate
24 and also to more appropriately reflect the cost of providing service. Schedule G-
25 8.0 provides a cost of service analysis for just the Colorado City customers and rate

1 classes. This analysis supports an overall reduction of 4.68% for the Colorado City
2 residential class. This reduction is accomplished by eliminating the additional
3 adjustment charge, using the system-wide base rate of \$22.00 and maintaining a
4 slightly higher energy charge for the Colorado City residential customer than
5 proposed for Arizona customers.

6 The billing comparison for the Residential Twin Cities is shown on Schedule H-
7 4.1.

8
9 **Q. PLEASE DESCRIBE THE PROPOSED RATE DESIGN FOR GENERAL**
10 **SERVICE NO. 1.**

11 A. The General Service No. 1 (GS1) rate applies to commercial, industrial, public
12 building, and three-phase farm service requiring 50 kVA or less of transformer
13 capacity. The proposed rate increase for the Arizona GS1 class is 1.35%. The
14 Base Charge is increased from \$12.50 to \$25.00 and the demand charge is
15 increased from \$6.37 to \$7.50. The first block energy charge is set at the same rate
16 as the first block of the Utah GS1 rate. The objective is to transition the Arizona
17 rate to ultimately be the same as the Utah rate. The existing Utah GS1 rate has a
18 two tier demand rate with the first 3 kW at no charge and a declining block rate
19 with a differential of \$0.015/kWh between the first and second block. The
20 approved Utah rate imposes a \$2/kW charge on the first tier demand rate and
21 reduces the differential in the declining block rate to \$0.005 per kWh. The
22 proposed changes in the Arizona rate in combination with the changes in the Utah
23 rates are made with the objective of bringing the two rates together in the next rate
24 filing.

1 The proposed GS1 rate for Colorado City is the same as the standard GS1 rate for
2 other Arizona customers. GEC is able to achieve its objective of bringing these
3 rates together in one step in this filing. This results in a reduction for the GS1 for
4 Colorado City customers of 2.46%.

5 The billing comparison for the standard GS1 customers is shown on Schedule H-
6 4.2. The billing comparison for the GS1 Twin Cities customers is shown on
7 Schedule H-4.3.

8
9 **Q. PLEASE DESCRIBE THE PROPOSED GENERAL SERVICE NO. 2 RATE.**

10 A. The General Service No. 2 (GS2) rate applies to large power loads requiring more
11 than 50 kVA of transformer capacity. The proposed change for the Arizona GS2
12 class is a reduction of 5.60%. The base charge is increased from \$20.00 to \$30.00
13 and the demand charge is increased from \$6.37 to \$8.55. The energy charge is set
14 at \$0.0581. With these revisions, the Arizona GS2 rate is identical to the Utah GS2
15 rate.

16 The proposed change for the GS2 – Colorado City class is a reduction of 14.07%.
17 The proposed rate design is identical to the standard GS2 Arizona rate.

18
19 **Q. PLEASE DESCRIBE THE PROPOSED CHANGES TO THE PUBLIC**
20 **BUILDING RATES.**

21 A. All of the Public Building Rates have been eliminated. The customers on these
22 rates will be served on the appropriate GS1 or GS2 rates. Customers currently on
23 the standard Public Building Rate will see a reduction of 1.98%. Customers
24 currently on the Public Building – Colorado City rate moving to the GS1 rate will
25 see a reduction of 4.56%. Customers currently on the Public Building – Colorado

1 City rate moving to the GS2 rate will see a reduction of 4.22%. Schedules H-4.6
2 and H-4.7 are billing comparisons for the changes in the Public Building rates.

3 **Q. PLEASE DESCRIBE THE PROPOSED IRRIGATION RATE DESIGN.**

4 A. The Irrigation rate design has been maintained. The demand charge is the same as
5 in the Utah Irrigation rate. Changes were made to the Utah Irrigation rate to reduce
6 the differential in the declining block rate with the intent of moving to a flat energy
7 charge. The proposed change for the Irrigation class is 0.67%

8
9 **Q. HAVE ALL OF THE RATE DESIGNS BEEN REVISED TO REFLECT**
10 **THE NEW BASE POWER COST IN THE WHOLESALE POWER COST**
11 **ADJUSTMENT?**

12 A. Yes. Each proposed rate design reflects the proposed wholesale power cost
13 adjustment calculated using the new base power cost of \$0.037493 per kWh sold.

14
15 **Q. PLEASE DESCRIBE THE PROPOSED CHANGES TO MISCELLANEOUS**
16 **CHARGES.**

17 A. GEC is proposing to increase the connect charge in Arizona from \$30.00 to \$50.00
18 to match the charge for the Utah portion of the system. The change in the connect
19 charge results in an increase of \$7,240 as shown on Schedule C-2.4.2.

20

21

PROPOSED BILLING ADJUSTMENTS

22 **Q. WHAT ARE THE PROPOSED CHANGES TO THE WHOLESALE**
23 **POWER COST ADJUSTMENT?**

24 A. The WPCA (aka, purchased power adjustment mechanism or PPAM) has been
25 revised to reflect recovery of the total purchased power cost including all charges

1 and credits related to the acquired Colorado City and Hildale loads as well as
2 charges for the City of Kanab load. Under the existing rates, these charges and
3 credits are not included in the WPCA. The proposed base rates have been designed
4 to recover the appropriate level of costs for each rate class in conjunction with the
5 application of the revised WPCA. Schedule H-2.1.3 provides the calculation of the
6 adjusted WPCA. The proposed WPCA base cost is calculated on Schedule H-
7 2.1.2.

8 9 **PROPOSED TARIFFS**

10 **Q. PLEASE DESCRIBE THE TARIFF REVISIONS THAT HAVE BEEN**
11 **MADE.**

12 **A.** The following changes have been made to the individual rate schedules:

13 Residential Service – the Availability clause has been revised to exclude the
14 Colorado City area, the Monthly Bill section has been revised to reflect the
15 proposed rate and the Wholesale Power Cost Adjustment has been revised to
16 reflect the proposed base power cost.

17
18 Irrigation Service – the Monthly Bill section has been revised to reflect the
19 proposed rates and reformatted slightly and the Wholesale Power Cost Adjustment
20 has been revised to reflect the proposed base power cost.

21
22 General Service No. 1 – the Monthly Bill section has been revised to reflect the
23 proposed rate and the Wholesale Power Cost Adjustment has been revised to
24 reflect the proposed base power cost. Revisions have also been included in the
25

1 Type of Service, Power Factor Adjustment and Temporary Discontinuance of
2 Service sections to include language consistent with the Utah tariffs.

3
4 General Service No. 1 – Public Bldgs & Authorities – this rate has been eliminated.

5
6 Street and Yard Security Lighting – the Monthly Bill section has been revised to
7 reflect the proposed rates and new service offerings consistent with the Utah rate
8 schedules and the Wholesale Power Cost Adjustment has been revised to reflect the
9 proposed base power cost. The Conditions of Service section has also been revised
10 to include provisions consistent with the Utah tariff.

11
12 General Service No. 2 – the Monthly Bill section has been revised to reflect the
13 proposed rates and the Wholesale Power Cost Adjustment has been revised to
14 reflect the proposed base power cost. The Power Factor Adjustment clause has
15 been revised to include language consistent with the Utah tariff.

16
17 Special Large Power Service – there are no customers on this rate schedule. GEC
18 has elected to eliminate this tariff.

19
20 Residential Service – Colorado City – the Monthly Bill section has been revised to
21 reflect the proposed rate and the Wholesale Power Cost Adjustment has been
22 revised to reflect the proposed base power cost.

23
24 General Service No. 1 – Colorado City – this tariff has been eliminated
25

1 General Service No. 1 – Public Bldg & Authorities – Colorado City –this tariff has
2 been eliminated

3 General Service No. 2 – Colorado City – this tariff has been eliminated

4 General Service No. 2 – Public Bldg & Authorities – Colorado City – this tariff has
5 been eliminated

6
7 Service Charges – the Impact Fees have been reduced to be consistent with the
8 Utah charges and several of the connection charges and service charges have been
9 revised to reflect the proposed charges.

10 GEC is also proposing the changes to its Line Extension Policy as previously
11 discussed.

12
13 **Q. IS GEC PROPOSING ANY NEW RATE SCHEDULES?**

14 A. Yes. GEC is proposing a Residential Prepaid Service rate. The rate has been
15 developed in a manner consistent with the prepaid rate approved for Sulphur
16 Springs Valley Electric Cooperative and Trico Electric Cooperative.

17
18 The proposed Prepaid Tariff is voluntary and is meant to provide GEC customers
19 with an additional option that better matches their payment preferences. The
20 Prepaid Tariff is available only to Residential customers. Certain customers, where
21 termination or disruption in service would be especially dangerous to the health of
22 the customer, have been excluded from eligibility for the program. It has also been
23 noted in the rate that certain billing provisions of the Electric Service Regulations
24 shall not apply to customers on the Prepaid Tariff. Waivers of applicable
25 Commission rules are also requested as set forth in GEC's Application. GEC will

1 develop an Application/Agreement for use with customers taking service on the
2 Prepaid Tariff that will include the same provisions as those recently approved for
3 TRICO.

4 **Q. IS GEC PROPOSING A NEW NET METERING TARIFF?**

5 A. Yes. Currently GEC does not have a Net Metering Tariff in Arizona. The
6 provisions in the proposed Net Metering tariff are consistent with the Net Metering
7 Tariff in Utah. The Monthly Bill section reflects a customer charge of \$35.00, the
8 proposed Arizona Residential energy charge and a credit for excess energy equal to
9 the amount in the Utah tariff. The Net Metering Tariff includes provisions that
10 charge the customer for all energy taken from the Cooperative at the stated rate and
11 a credit provided to the customer at a rate of \$0.026 per kWh for all energy
12 produced in excess of the customer's load requirements and delivered on to the
13 Cooperative's system. This methodology varies from the Net Metering policy that
14 has been in place in Arizona and applied by most Arizona cooperatives and
15 utilities. Garkane believes that the proposed Net Metering rate provides the most
16 fair and equitable manner of compensating customers with distributed generation
17 resources while at the same time mitigating the subsidy that other members of the
18 Cooperative provide. Therefore, GEC is requesting a waiver of the Commission's
19 Net Metering Service rules as set forth in its Application.

20
21 **Q. WHY IS GARKANE PROPOSING A NEW NET METERING TARIFF?**

22 A. GEC's Residential rate is designed to recover a portion of the fixed customer
23 related costs and capacity costs in the energy charge of the rate. GEC's ability to
24 meet the revenue requirement for the rate class and for the Cooperative is
25 dependent upon the application of the rate to the billing units as reflected in the rate

1 filing. When members of the Cooperative deploy distributed generation to serve a
2 portion of their load, they decrease the billing units over which the Cooperative
3 recovers the fixed costs to serve the member. The portion of the energy charge
4 revenue related to the recovery of fixed costs is lost. With each new member that
5 deploys distributed generation, the lost fixed cost recovery gets larger. Currently,
6 GEC has no 'net metering' customers in Arizona and only a small number in Utah.
7 GEC's intent is to establish a Net Metering tariff throughout its system that
8 mitigates the lost fixed cost recovery and reduces the subsidy currently created by
9 net metering, especially as applied under the Commission's Net Metering Service
10 rules.

11
12 **Q. WHAT IS THE JUSTIFICATION FOR THE INCREASED CUSTOMER**
13 **CHARGE OF \$35.00 IN THE NET METERING TARIFF?**

14 A. Exhibit DWH -7 shows the calculation of the lost fixed cost recovery as a result of
15 the member owned generation. The total fixed cost component included in the
16 energy charge of the Residential rate is calculated as \$0.032869 per kWh. The
17 monthly kWh produced for three different size systems is calculated and the fixed
18 cost component applied to determine the monthly lost fixed cost component. The
19 monthly lost fixed cost ranges from \$14.40 to \$35.99 depending on the size of the
20 member owned distributed generation. The increase in the customer charge from
21 \$22.00 to \$35.00 is \$13.00. The \$35.00 dollar customer charge provides a
22 recovery of only a portion of the lost fixed cost.

23
24 **Q. WHY DOES THE PROPOSED NET METERING TARIFF NOT INCLUDE**
25 **ANY BANKING PROVISIONS?**

1 A. The kWh banking provisions allow a member with owned generation to use excess
2 energy generated and effectively be compensated for that energy at the full retail
3 rate. The actual value of that excess generation is GEC's avoided energy cost. To
4 the extent that GEC allows banking of kWh and compensates at the full retail rate
5 instead of the avoided cost, the remaining members of the Cooperative are required
6 to subsidize the members with owned generation. Not including the banking
7 provisions in the tariff reduces the subsidy that net metering creates.

8
9 **Q. THE NET METERING TARIFF INCLUDES A PROVISION TO**
10 **COMPENSATE FOR EXCESS ENERGY AT \$0.026 PER KWH. WHAT IS**
11 **THE BASIS FOR THIS CREDIT?**

12 A. GEC's avoided cost is defined as the energy component of the wholesale purchased
13 power cost. Schedule G-6.0, p. 4 of 4 reflects that the purchased power energy cost
14 for the Residential class is \$0.023206 per kWh. The kWh credit for excess energy
15 has been established at a level slightly higher than GEC's avoided cost.

16
17 **Q. HAS GEC CONSIDERED OTHER OPTIONS AND RATE DESIGNS TO**
18 **ADDRESS THE ISSUES RELATED TO NET METERING OF MEMBER**
19 **OWNED GENERATION?**

20 A. GEC has proposed to increase the customer charge in the Residential rate from
21 \$12.50 to \$22.00 to recover a greater portion of the fixed costs. The increase in the
22 customer charge reduces the potential of lost fixed cost recovery and also helps to
23 reduce intra-class subsidies between low-use and high use customers.

24 **Q. DID GEC CONSIDER THE IMPLEMENTATION OF A DEMAND**
25 **CHARGE IN THE STANDARD RESIDENTIAL RATE?**

1 A. GEC has determined that the implementation of a demand charge in the Residential
2 rate is not a practical solution at this time for the following reasons:

- 3 1. The required demand metering equipment is not installed for all
4 Residential customers.
- 5 2. The existing Residential rate design provides an adequate recovery of
6 the revenue requirement for those customers that do not employ
7 distributed generation. GEC is proposing to increase the customer
8 charge to move toward a more cost based rate.
- 9 3. The implementation of a demand charge in the Residential rate would
10 require significant member education. A demand charge adds
11 another level of complexity to the rate that members may resist.
- 12 4. The implementation of a demand charge would require a transition
13 period that would likely require several steps.
- 14 5. GEC believes that it is more appropriate to address the issues related
15 to net metering with those customers that have member owned
16 generation rather than affecting the rates and charges for all
17 customers.
- 18 6. The implementation of a demand charge to all Residential customers
19 would result in some customers receiving increases while other
20 customers would receive reductions. The member impacts could be
21 significant.

22
23 Q. IS THE COOPERATIVE SEEKING A WAIVER OF THE COMMISSION'S
24 NET METERING RULES?
25

1 A. Yes. GEC recognizes the net metering tariff it has in place for its Utah customers,
2 representing 89% of its meters, does not meet the Commission's net metering rules
3 contained in A.A.C. R14-2-2300 *et seq.* and is requesting a general waiver from the
4 rule so its Arizona customers will be offered net metering service on the same
5 terms and conditions as GEC's Utah customers.
6

7 **Q. WHAT OTHER RATES HAVE BEEN PROPOSED?**

8 A. GEC is required to have on file rates for service to small power facilities of 100
9 kW and less, and small power production facilities over 100 kW. Proposed tariffs
10 for each size have been included. The provisions of these tariffs are similar to
11 those approved for Sulphur Springs Valley Electric Cooperative. An additional
12 Customer Charge or Basic Service Charge has been included to help mitigate the
13 lost fixed cost recovery.
14

15 **Q. WHAT CHANGES HAVE BEEN MADE TO THE ELECTRIC SERVICE**
16 **REGULATIONS?**

17 A. Other than updating the Cooperative name and a few formatting revisions, and
18 typographical corrections, the Electric Service Regulations (ESR) have not been
19 changed. The proposed ESR has been included in the filing for confirmation by
20 the Commission.
21

22 **Q. WHAT ARE THE PROVISIONS OF THE PROPOSED LINE EXTENSION**
23 **POLICY?**

24 A. GEC is proposing to adopt the same line extension policy in Arizona that has been
25 approved and is applicable in Utah. The provisions of the policy require the

1 customer to pay 100% of the total cost of extending facilities to serve the
2 customer's load. The policy does include provisions for a partial refund of the line
3 extension cost if additional services are connected to the customer's line extension
4 during the first (5) five-years following construction, subject to certain conditions.
5 GEC's line extension policy ensures that the up-front capital costs associated with
6 extending service are recovered as a contribution in aid of construction from the
7 member. This policy serves to reduce the long-term capital requirements of the
8 Cooperative and helps to keep rates low.

9 The line extension policy includes provisions for subdivision development
10 which require the developer to pay 100% of the cost of all facilities plus an impact
11 fee for a 100 amp service on each lot. New lot owners will be required to pay any
12 additional impact fee for service in excess of 100 amps.

13
14 **Q. PLEASE DESCRIBE ANY REVENUE IMPACTS ASSOCIATED WITH**
15 **THE PROPOSED CHANGES TO GEC'S LINE EXTENSION POLICY.**

16 A. There are no revenue impacts as a result of the change in the line extension policy.
17 The proposed line extension policy will require new customers to pay a higher
18 amount for extension of service than under the existing line extension policy. This
19 increase from new customers will reduce the overall capital requirements of the
20 Cooperative but will not affect the level of operating revenue. During the test year,
21 GEC had less than 100 new residential customers in Arizona. GEC does not
22 currently have any developers operating in the Arizona portion of the system and
23 therefore does not anticipate any impact on contributions in aid of construction
24 with respect to the proposed subdivision line extension policy.
25

1 Q. DOES THIS CONCLUDE YOUR TESTIMONY?
2 A. Yes, it does.
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Exhibit DWH -1

DAVID W. HEDRICK
SENIOR VICE PRESIDENT /
MANAGER, ANALYTICAL SOLUTIONS
Page 1 of 6

EDUCATION:

M.B.A., Oklahoma City University, 1993
B.S., Mathematics, University of Central Oklahoma, 1986

PERTINENT EXPERIENCE FOR THE PROJECT:

Mr. Hedrick specializes in the development of revenue requirements, cost of service, rate design, line extension analysis, special contract development, pole attachment rates, valuation analysis and other financial analysis for electric, water, and wastewater utility systems. He is also responsible for the preparation of rate filings and has presented expert testimony before state regulators, including Arizona, Arkansas, Colorado, Oklahoma, Texas and Wyoming. Mr. Hedrick's clients include both distribution providers and wholesale providers. He was instrumental in the development of the CoOPTIONS: family of computer software for use in unbundled utility cost of service studies and financial forecasting.

As Manager of the Analytical Solutions Group, Mr. Hedrick has oversight of all studies, analyses and filings that are developed by the group. He continues to represent clients before the appropriate regulatory authority and is responsible for the preparation of rate filings and other analytical studies.

SPECIFIC CONSULTING EXPERIENCE:

Acquisitions, Consolidations & Valuation Analysis

Mr. Hedrick has provided analytical support for consolidation studies in Texas and Wyoming. In addition, he has been involved in the valuation analysis of utility assets for purposes of acquisition and determination of fair market value for clients in Oklahoma and Kansas.

Retail Rate Analysis, Cost of Service Studies, and Line Extension Analysis

Mr. Hedrick's rate analysis and cost of service experience includes the following:

Arizona

- Navopache Electric Cooperative, Inc. - Regulated by Arizona Corporation Commission
- Sulphur Springs Valley Electric Cooperative, Inc. - Regulated by Arizona Corporation Comm.
- Trico Electric Cooperative, Inc. - Regulated by Arizona Corporation Commission

Arkansas

- Arkansas Valley Electric Cooperative Corporation - Regulated by Arkansas PSC and Oklahoma Corporation Commission
- Ouachita Electric Cooperative Corporation - Regulated by Arkansas PSC
- Ozarks Electric Cooperative Corporation - Regulated by Arkansas PSC

Corporate Office:
5555 N. Grand Boulevard
Oklahoma City, OK 73112-5507
405.416.8100

www.guernsey.us

Direct Contact:
405.416.8157
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Colorado

- Colorado Rural Electric Association
- Delta-Montrose Electric Association
- Empire Electric Association, Inc.
- Grand Valley Rural Power Lines
- Holy Cross Electric Association, Inc.
- Mountain Parks Electric, Inc.
- Poudre Valley REA, Inc.
- San Luis Valley Rural Electric Cooperative, Inc.
- Yampa Valley Electric Association, Inc.

Iowa

- Corn Belt Power Cooperative
- Iowa Lakes Electric Cooperative, Inc.
- Midland Power Cooperative, Inc.

Kansas

- Ark Valley Electric Cooperative Association
- Caney Valley Electric Cooperative Association
- CMS Electric Cooperative, Inc.
- Flint Hills Rural Electric Cooperative Association
- Kansas Electric Power Cooperative
- Lyon-Coffey Electric Cooperative, Inc.
- City of Meade
- Ninnescah Rural Electric Cooperative Association, Inc.
- Pioneer Electric Cooperative, Inc.
- Sedgwick County Electric Cooperative Association, Inc.
- Western Cooperative Electric Association, Inc.

Louisiana

- Claiborne Electric Cooperative

Mississippi

- Southern Pine EPA
- Yazoo Valley EPA

Nebraska

- Dawson County Public Power District

New Mexico

- Farmers Electric Cooperative, Inc.
- Lea County Electric Cooperative, Inc.

Oklahoma

- City of Blackwell
- Caddo Electric Cooperative
- Central Rural Electric Cooperative, Inc.



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- Choctaw Electric Cooperative, Inc.
- Cimarron Electric Cooperative, Inc.
- Cookson Hills Electric Cooperative, Inc.
- Cotton Electric Cooperative, Inc.
- City of Duncan
- East Central Oklahoma Electric Cooperative
- Indian Electric Cooperative, Inc.
- Kay Electric Cooperative, Inc.
- Kiwash Electric Cooperative, Inc.
- Lake Region Electric Cooperative, Inc.
- City of Mangum
- Northeast Oklahoma Electric Cooperative, Inc.
- Northfork Electric Cooperative
- Northwestern Electric Cooperative, Inc.
- Oklahoma Electric Cooperative, Inc.
- City of Ponca City
- Rural Electric Cooperative, Inc.
- Southeastern Electric Cooperative, Inc.
- Southwest Rural Electric Association
- Tri-County Electric Cooperative, Inc.
- Verdigris Valley Electric Cooperative

Texas

- Bailey County ECA
- Bandera Electric Cooperative, Inc.
- Big Country Electric Cooperative, Inc.
- Bluebonnet Electric Cooperative, Inc.
- Central Texas Electric Cooperative, Inc.
- Concho Valley Electric Cooperative, Inc.
- Cooke County Electric Cooperative Assn.
- CoServ Electric
- Deaf Smith Electric Cooperative, Inc.
- Fannin County Electric Cooperative, Inc.
- Farmers Electric Cooperative, Inc.
- Fort Belknap Electric Cooperative, Inc.
- Grayson-Collin Electric Cooperative, Inc.
- Greenbelt Electric Cooperative, Inc.
- HILCO Electric Cooperative, Inc.
- Jackson Electric Cooperative, Inc.
- Lamar County Electric Cooperative, Inc.
- Lighthouse Electric Cooperative, Inc.
- Lyntegar Electric Cooperative, Inc.
- Magic Valley Electric Cooperative, Inc.
- Medina Electric Cooperative, Inc.
- Navarro County Electric Cooperative, Inc.
- Navasota Valley Electric Cooperative, Inc.
- North Plains Electric Cooperative, Inc.
- Nueces Electric Cooperative, Inc.
- Pedernales Electric Cooperative, Inc.



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- Rita Blanca Electric Cooperative, Inc.
- San Bernard Electric Cooperative, Inc.
- South Plains Electric Cooperative, Inc.
- Southwest Rural Electric Association, Inc., Okla.
- Southwest Texas Electric Cooperative, Inc.
- Swisher Electric Cooperative, Inc.
- Taylor Electric Cooperative, Inc.
- Texas Electric Cooperatives, Inc., Statewide Association
- Tri-County Electric Cooperative, Inc.
- Trinity Valley Electric Cooperative, Inc.
- United Cooperative Services
- Wharton County Electric Cooperative, Inc.
- Wise Electric Cooperative, Inc.

Wyoming

- Big Horn REC - Regulated by Wyoming Public Service Commission until 2007
- Carbon Power & Light, Inc. - Regulated by Wyoming Public Service Commission until 2007
- High Plains Power, Inc. - Regulated by Wyoming Public Service Commission until 2007
- Powder River Energy Corporation - Regulated by Wyoming Public Service Commission
- Wyrulec Company - Regulated by Wyoming Public Service Commission until 2007

Wholesale Rate Analysis and Cost of Service Studies

- Corn Belt Power Cooperative, Humboldt, Iowa
- Kansas Electric Power Cooperative, Topeka, Kansas
- Grand River Dam Authority, Vinita, Oklahoma
- Oklahoma Municipal Power Authority, Edmond, Oklahoma
- Western Farmers Electric Cooperative, Anadarko, Oklahoma
- Central Electric Power Cooperative, Columbia, South Carolina
- Piedmont Municipal Power Authority, Greer, South Carolina
- Brazos Electric Cooperative, Waco, Texas
- Golden Spread Electric Cooperative, Amarillo, Texas
- Old Dominion Electric Cooperative, Richmond, Virginia
- Allegheny Electric Cooperative, Harrisburg, Pennsylvania
- South Mississippi Electric Power Association, Hattiesburg, Mississippi
- Minnkota Power Cooperative, Grand Forks, North Dakota
- Rayburn Country Electric Cooperative, Rockwall, Texas

Special Projects

Development of Distributed Generation Procedures and Guidelines Manual:

- Western Farmers Electric Cooperative, Anadarko, Oklahoma
- KAMO Electric, Vinita, Oklahoma
- Texas Electric Cooperatives, Austin, Texas



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Energy Policy Act of 2005 / EISA 2007 - Testimony in Support of Cooperative Staff's Position in Consideration of new PURPA Standards:

- Central Rural Electric Cooperative, Stillwater, Oklahoma
- Cotton Electric Cooperative, Walters, Oklahoma
- Farmers Electric Cooperative, Greenville, Texas
- Grand River Dam Authority, Vinita, Oklahoma
- Grayson-Collin Electric Cooperative, Van Alstyne, Texas
- HILCO Electric Cooperative, Itasca, Texas
- Lake Region Electric Cooperative, Hulbert, Oklahoma
- Lyntegar Electric Cooperative, Tahoka, Texas
- Magic Valley Electric Cooperative, Mercedes, Texas
- Northwestern Electric Cooperative, Woodward, Oklahoma
- Oklahoma Electric Cooperative, Norman, Oklahoma
- Tri-County Electric Cooperative, Azle, Texas
- Tri-County Electric Cooperative, Hooker, Oklahoma
- United Electric Co-op Services, Cleburne, Texas

Testimony before Colorado State House and Senate Committees in support of the Colorado Rural Electrification Association with regard to HB1169, Mandating Net Metering for Electric Cooperatives.

The "Fresh Look" review of East Kentucky Power Cooperative on behalf of the cooperative's distribution members as required by the Kentucky Corporation Commission. 2011 - 2012

Education and Training

Mr. Hedrick provides educational seminars and training for cooperative staff and boards of directors, statewide associations, and professional organizations on the topics of Rate Analysis, Cost of Service, Rate Design, Line Extension Policy, and related issues.

Expert Witness

Mr. Hedrick has provided expert testimony related to the development of revenue requirements, cost of service, rate design, and special contract issues in Arizona, Arkansas, Oklahoma, Texas, and Wyoming.

Financial Forecasting & Analysis

Mr. Hedrick prepares and provides training in the development of financial forecast models for electric cooperatives and municipal utility systems.

Software Sales & Support

Mr. Hedrick provided assistance in the development of software for GUERNSEY's 10-year Financial Forecast, Cost of Service, and Financial Performance Analysis programs. Mr. Hedrick is proficient in the use of these software packages and provides support to client users.

Strategic Planning & Analysis

Mr. Hedrick has provided assistance to electric cooperative boards of directors in the development of strategic goals and objectives.



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Publications and Presentations:

Articles:

Hedrick, David W. "Retail Rate Development: The Role of the Cooperative Board."
Management Quarterly, published by NRECA's Education and Training Department.
(Spring 2005): 20-35.

Presentations Made by Mr. Hedrick:

"Knowledge is Power: Financial Forecasting." Seminar written and presented by Guernsey personnel annually since 2006 in Oklahoma City, Okla. Mr. Hedrick has been a presenter for this seminar numerous times.

"Knowledge is Power: Understanding Rates and Cost of Service." Seminar written and presented by Guernsey personnel annually since 2005, in Oklahoma City, Okla., as well as other locations. Mr. Hedrick has been a presenter numerous times.

"Distributed Generation Net Metering Issues." Written for and presented at *TEC Engineers Association Annual Meeting*, September 2006.

"Net Metering Issues." Written for and presented at *G&T Planners Association Meeting*, Tucson, Arizona, September 2006.

"Development of Distributed Generation Policies and Procedures." Written and presented for *Texas Electric Cooperatives' Managers Meeting*, San Antonio, Texas, December 2, 2004.

"Rate Design in a Restructured Environment." Written and presented for *Texas Electric Cooperatives Accountants Association*, Austin, Texas, April 19, 2000.

EXPERIENCE RECORD:

1981-Present - C. H. Guernsey & Company, Oklahoma City, Oklahoma

2013 - Senior Vice President, Board of Directors

2008-2013 - Vice President for Guernsey

2005-Present - Manager, Analytical Solutions Group

GARKANE ENERGY

SYSTEM CAPITALIZATION

	2008	2009	2010	2011	2012	Test Year 12/31/2013
Long-Term Debt	\$ 31,891,273	\$ 33,731,820	\$ 32,480,903	\$ 33,156,933	\$ 32,769,864	\$ 33,322,916
Equity	21,755,174	25,676,925	28,293,752	30,117,886	32,416,105	35,635,761
Total Capitalization	\$ 53,646,447	\$ 59,408,745	\$ 60,774,655	\$ 63,274,819	\$ 65,185,969	\$ 68,958,677
<u>Percent Capitalization</u>						
Long-Term Debt	59.45%	56.78%	53.44%	52.40%	50.27%	48.32%
Equity	40.55%	43.22%	46.56%	47.60%	49.73%	51.68%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Total Assets	\$ 59,753,593	\$ 66,312,339	\$ 68,384,256	\$ 71,063,289	\$ 73,181,210	\$ 77,469,253
Equity as % of Total Assets	36.41%	38.72%	41.37%	42.38%	44.30%	46.00%

GARKANE ENERGY

GROWTH RATE IN NET PLANT

	<u>Additions</u>	<u>Retirements</u>	<u>Utility Plant</u>	<u>Accum. Deprec.</u>	<u>Net Plant</u>	<u>Percent Change</u>
December 31, 2008	\$ 9,127,427	\$ 2,240,178	\$ 75,785,483	\$ 27,421,432	\$ 48,364,051	
December 31, 2009	11,995,967	3,205,389	84,576,061	29,488,357	55,087,704	13.90%
December 31, 2010	5,693,754	1,478,461	88,791,354	31,482,882	57,308,472	4.03%
December 31, 2011	5,776,064	1,919,772	92,647,646	33,091,923	59,555,723	3.92%
December 31, 2012	6,090,554	2,998,842	95,739,358	35,046,296	60,693,062	1.91%
December 31, 2013	7,690,051	1,005,801	102,423,608	37,792,643	64,630,965	6.49%
Compound Growth 2008-2013						5.97%
Compound Growth 2010-2013						4.09%
Projected 12/31/2014	6,000,000	2,000,000	106,423,608	38,921,497	67,502,111	4.44%
Projected 12/31/2015	6,000,000	2,000,000	110,423,608	40,167,951	70,255,657	4.08%
Projected 12/31/2016	6,000,000	2,000,000	114,423,608	41,532,005	72,891,603	3.75%
Projected 12/31/2017	6,000,000	2,000,000	118,423,608	43,013,659	75,409,949	3.45%
Projected 12/31/2018	6,000,000	2,000,000	122,423,608	44,612,913	77,810,695	3.18%
Total	30,000,000	10,000,000				
Compound Growth 2013-2016						4.09%
Compound Growth 2013-2018						3.78%

GARKANE ENERGY

CAPITAL CREDITS RETIRED

	<u>General</u>	<u>Special</u>	<u>Total</u>
2008	\$ 0	\$ 0	\$ 0
2009	0	0	0
2010	496,938	0	496,938
2011	499,312	0	499,312
2012	495,434	0	495,434
2013	<u>495,434</u>	<u>0</u>	<u>495,434</u>
Total	<u>\$ 1,987,118</u>	<u>\$ 0</u>	<u>\$ 1,987,118</u>

GARKANE ENERGY

CALCULATION OF DESIRED GENERAL FUNDS

Purchased Power	\$ 8,845,175
Payroll	4,970,007
Benefits	2,206,082
Payroll Taxes	375,415
Interest	1,442,214
Principal Payments	1,446,949
Total	<u>\$ 19,285,841</u>
Plant Balance	<u>\$ 102,423,607</u>

Desired General Funds:

	Days	Ratio to Plant	Amount
	30	1.55%	\$1,585,138
	45	2.32%	\$2,377,706
	60	3.10%	\$3,170,275
	90	4.64%	\$4,755,413
	35.76	1.84%	\$1,889,420

Estimated General Funds as of
December 31, 2013

GARKANE ENERGY

CASH REVENUE REQUIREMENT

Cash Requirement		Development of Cash-General Fund Level	
Plant Additions	\$ 6,000,000	Total Utility Plant in Service	\$ 102,423,607
Desired Percent Cash Financed	48.95%		
Cash Requirement for Plant	\$ 2,936,782	Cash-General Funds	\$ 1,574,041
		Special Deposits	0
Capital Credit Retirements	\$ 500,000	Temporary Investments	0
Principal Payments	1,446,949	Other Investments & Special Funds	315,379
Cash to Attain Desired Level	0	Total	\$ 1,889,420
Cash Requirement for Capital Credits & Debt	\$ 1,946,949	Estimated Days of Cash	35.76 Days
		Cash as % of Plant	1.84%
Total Cash Requirement	\$ 4,883,731		
		Desired Cash Level	\$ 1,889,420
Operating Margins (Adjusted)	\$ 1,171,743		
Plus: Depreciation & Other Non-Cash Expenses	2,871,262	Estimated Days of Cash	35.76 Days
Interest Income/Capital Credits Cash	41,437	Cash as % of Plant	1.84%
Net Cash from Operations	\$ 4,084,442		
		Desired Total Increase in Cash Level	\$ -
Annual Additional Cash Required	\$ 799,289	Years to Increase	3
		Desired Annual Cash Increase	\$ 0
Proposed Rate Change	\$ 799,289		

**CALCULATION OF LOST FIXED COST RECOVERY
AS A RESULT OF MEMBER OWNED GENERATION**

		<u>Amount</u>
1	Total Residential Energy Charge	\$0.071800
2	Purchased Power Energy Cost	
3	Purchased Power Demand Cost	\$0.023206
		\$0.015725
	Remainder: Distribution Wires	
4	Component in Residential Energy Charge L1 - L2 - L3	\$0.032869
	<u>Lost Fixed Cost Calculation:</u>	
	Monthly kWh Produced by 3 kW AC	
5	PV System with 20% Capacity Factor	438
6	Lost Fixed Cost - Monthly	\$ 14.40
	Monthly kWh Produced by 5 kW AC	
7	PV System with 20% Capacity Factor	730
8	Lost Fixed Cost - Monthly	\$ 23.99
	Monthly kWh Produced by 7.5 kW AC	
9	PV System with 20% Capacity Factor	1,095
10	Lost Fixed Cost - Monthly	\$ 35.99

ATTACHMENT 5

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 SUSAN BITTER SMITH, Chairman
4 BOB STUMP
5 BOB BURNS
6 DOUG LITTLE
7 TOM FORESE

8 IN THE MATTER OF THE APPLICATION
9 OF GARKANE ENERGY COOPERATIVE,
10 INC., AN ELECTRIC COOPERATIVE
11 NONPROFIT MEMBERSHIP
12 CORPORATION, FOR A
13 DETERMINATION OF THE FAIR VALUE
14 OF ITS PROPERTY FOR RATEMAKING
15 PURPOSES, TO FIX A JUST AND
16 REASONABLE RETURN THEREON, AND
17 TO APPROVE RATES DESIGNED TO
18 DEVELOP SUCH RETURN AND
19 REQUEST FOR WAIVER.

DOCKET NO. E-01891A-15-_____

20 **PRE-FILED DIRECT TESTIMONY OF REBECCA A. PAYNE**
21 **ON BEHALF OF GARANKE ENERGY COOPERATIVE, INC.**

22 **MAY 29, 2015**

1 INDEX TO TESTIMONY OF REBECCA A. PAYNE

2	TOPIC	Page
3		
4		
5	BACKGROUND AND PURPOSE	3
6	INCOME STATEMENT AND ADJUSTMENTS.....	4
7	Operating Revenue (Schedule C-2.4).....	5
8	Purchased Power (Schedule C-2.5).	5
9	Payroll (Schedule C-2.6).....	5
10	Employee Benefits (Schedule C-2.7).	6
11	Rate Case Expense (Schedule C-2.8).	7
12	Depreciation (Schedule C-2.9).....	7
13	Property Taxes (Schedule C-2.10).....	7
14	Payroll Taxes (Schedules C-2.11).....	7
15	Donations (Schedule C-2.12).....	8
16	Interest Expense (Schedule C-2.13).	8
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BACKGROUND AND PURPOSE

Q. PLEASE STATE YOUR NAME AND EMPLOYER.

A. My name is Rebecca A. Payne and I am employed by Guernsey, Engineers, Architects and Consultants.

Q. PLEASE STATE YOUR BUSINESS ADDRESS.

A. My business address is 5555 North Grand Boulevard, Oklahoma City, Oklahoma 73112-5507.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND WORK EXPERIENCE.

A. I have earned a Bachelor of Science in Business degree and an M.B.A from Oklahoma City University. I have been employed by Guernsey from 1999-2004, and since 2005. Exhibit RAP-1 is my resume.

Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS MATTER?

A. I represent Garkane Energy Cooperative, Inc. ("GEC" or the "Cooperative").

Q. ARE YOU AUTHORIZED TO TESTIFY ON BEHALF OF THE GEC?

A. Yes.

1 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS
2 PROCEEDING?

3 A. I am sponsoring the schedules developing the financial adjustments found in
4 Section C of the rate filing package.

5
6 Q. WERE THE SCHEDULES ABOVE PREPARED BY YOU OR UNDER
7 YOUR SUPERVISION?

8 A. Yes.

9
10 Q. WHO SUPPLIED THE DATA USED IN DEVELOPING THE SCHEDULES
11 THAT YOU ARE SPONSORING?

12 A. All of the data was supplied by GEC.

13
14 Q. WHAT IS THE TEST YEAR IN THIS PROCEEDING?

15 A. The test year is the twelve months ended December 31, 2013.

16
17 **INCOME STATEMENT AND ADJUSTMENTS**

18 Q. PLEASE EXPLAIN SECTION C TO ATTACHMENT 6 OF GEC'S
19 APPLICATION.

20 A. Schedule C-1.0 is the Income Statement for the test year showing:

- 21 • Actual Test Year
22 • Adjustments to the Test Year
23 • Adjusted Test Year (Actual Test Year Plus Adjustments)

24 Adjustments described below correspond to adjustment amounts shown in the
25 "Adjustments" column.

1 **Q. PLEASE EXPLAIN ADJUSTMENTS SHOWN ON SCHEDULE C-1.0.**

2 A. Adjustments are summarized on Schedule C-2.0. Schedules C-2.1 through C-2.3
3 show adjustments to specific O&M accounts while Schedules C-2.4 through C-
4 2.13 show development of adjustments.

5 **Operating Revenue (Schedule C-2.4).** Calculation of revenue shown on
6 this schedule is developed on Schedule E-7.6 and Schedule E-7.7. This schedule
7 calculates the revenue by applying the existing rates to adjusted test year billing
8 units. The billing units are found on Schedules E-7.1 and E-7.2. There is a
9 reduction in adjusted test year revenue as a result of a surcharge that will expire in
10 2016 that is applicable to only the Kanab City tariffs that only affects Utah
11 consumers. The adjustment to base revenue is a reduction of \$226,228.

12 A revenue adjustment was made to restate the PCA revenue based on the
13 adjusted power cost (Schedule E-7.10). The adjusted PCA revenue reflects the full
14 amount of PCA revenue that GEC is entitled to recover. The PCA revenue
15 adjustment is \$103,347.

16 The total revenue adjustments result in a decrease to revenue of \$122,881.

17 **Purchased Power (Schedule C-2.5).** A detailed calculation of the adjusted
18 purchased power expense is shown on Schedule E-7.1. The adjustment to
19 purchased power is a result of increases in the Deseret wholesale power rate that
20 became effective January 1, 2105. The most significant increase in the wholesale
21 power rate is a \$0.003 increase in the Tier 1 kWh charge. The increase to
22 purchased power as a result of the application of the wholesale rate that went into
23 effect in 2015 is an increase of \$791,002.

24 **Payroll (Schedule C-2.6).** The adjustment to payroll expense totals
25 \$151,342. Payroll expense and adjustments are distributed to various expense

1 accounts on Schedule C-2.2. Adjusted payroll was calculated based upon 60 full-
2 time employees and 8 part-time employees using 2015 wage levels. The 2009-
3 2013 average ratio for overtime payroll to regular payroll of 4.558% was applied to
4 calculate total adjusted payroll. The 2009-2013 ratio for payroll expensed of
5 62.926% was then applied to calculate adjusted payroll expensed. Historical
6 payroll information is shown on Schedule C-2.6.1. The test year expense by
7 account and distribution of the adjustment by account is shown on Schedule C-2.2.

8 **Employee Benefits (Schedule C-2.7).** Expenses associated with employee
9 benefits were restated to 2015 levels. The Cooperative's portion of the adjusted test
10 year amount for each benefit was computed. The adjustment to employee benefits
11 of \$318,966 is included as an adjustment to Account 928, Pensions and Benefits,
12 on Schedule C-2.1.

13 The adjusted test year premium for medical insurance of \$823,604 was
14 computed by using the Cooperative's portion of the 2015 premium for each of the
15 plans for the appropriate number of employees participating (Schedule C-2.7.1).
16 The same methodology was used for the dental plan resulting in an adjusted test
17 year premium of \$96,337 (Schedule C-2.7.2). The adjusted test year premium for
18 life insurance of \$51,598 was computed by using the adjusted full time base wages
19 rounded up the next \$1,000 times the 2015 premium rate (Schedule C-2.7.3). An
20 adjusted test year premium of \$32,066 for long-term disability was computed by
21 applying the 2015 premium rate to the adjusted base wages (Schedule C-2.7.4).

22 The Cooperative's contributions to the defined benefit plan were adjusted to
23 reflect the adjusted base wages and the 2015 contribution rate. The adjusted test
24 year premium for the defined benefit pension plan is \$1,202,476 (Schedule C-
25 2.7.5).

1 **Rate Case Expense (Schedule C-2.8).** An adjustment to recognize expense
2 associated with development, filing, and support of the rate case has been made.
3 The estimated cost of \$75,000 is intended to reflect the cost of outside legal and
4 consulting services. This amount is amortized over a 3-year period, resulting in an
5 adjustment of \$25,000. Actual rate case expense will only be known at the time of
6 the hearing/settlement. We propose to provide updated rate case information to
7 ACC Staff and in testimony as the case proceeds.

8 **Depreciation (Schedule C-2.9).** Annual depreciation rates were applied to
9 December 31, 2013 plant balances for production, transmission, and distribution
10 plant to determine adjusted depreciation expense for these plant categories. For
11 General Plant accounts, depreciation expense for the month of March 2014 was
12 annualized to determine the adjusted depreciation expense. The adjusted test year
13 depreciation expense of \$2,871,262 results in an adjustment of \$49,578.

14 **Property Taxes (Schedule C-2.10).** At the time the adjustments were
15 developed the actual 2014 property tax payment was known. The actual 2014
16 property tax was used as the adjusted test year expense for property tax. The
17 adjustment is an increase of \$37,926.

18 **Payroll Taxes (Schedules C-2.11).** Adjusted payroll-related taxes for
19 FICA and Federal and State Unemployment were calculated by applying the
20 applicable tax rate to adjusted wages subject to payroll taxes. The test year payroll
21 tax expensed ratio of 70.057% (Schedule C-2.6.2) was applied to total adjusted
22 payroll taxes amount to calculate adjusted payroll taxes expensed. The adjustment
23 is an increase to test year expense of \$5,993. The test year expense by account and
24 distribution of the adjustment by account is shown on Schedule C-2.3.
25

1 Donations (Schedule C-2.12). An adjustment was made to remove
2 charitable donations totaling \$27,209 from the test year. This adjustment results in
3 a reduction to other deductions on the income statement.

4 Interest Expense (Schedule C-2.13). The adjusted interest on long-term
5 debt of \$1,442,214 was calculated by applying the applicable interest rate to the
6 principal outstanding as of 12/31/2013 and including \$2,000,000 of long-term debt
7 that was incurred after the test year. A CFC note of \$1,000,000 was drawn down
8 6/30/2014 and another \$1,000,000 of CFC debt was incurred on 9/5/2014. The
9 adjustment increased interest on long-term debt expense by \$111,955.

10
11 **Q. ARE THE ADJUSTMENTS THAT HAVE BEEN MADE TO THE TEST**
12 **YEAR RELATED TO ACTIVITIES THAT ARE KNOWN, MEASURABLE**
13 **AND OF A CONTINUING NATURE?**

14 **A.** Yes. The adjustments that have been made are intended to provide an accurate
15 reflection of the Cooperative's known and measurable revenues and expenses on
16 an on-going basis and that should be recovered in rates.

17
18 **Q. WHAT IS THE OVERALL IMPACT OF THE ADJUSTMENTS MADE TO**
19 **THE TEST YEAR?**

20 **A.** The overall impact of the revenue and expense adjustments is to reduce the
21 operating margin by \$1,587,313 as reflected in column (b) of Schedule C-1.0. The
22 adjusted test year Operating TIER is 1.81, the DSC is 2.14 and the rate of return on
23 fair value rate base is 4.33% as reflected in column (c) of Schedule C-1.0.

1 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**
2 A. Yes, it does.
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ENGINEERS
ARCHITECTS
CONSULTANTS

REBECCA PAYNE
SENIOR CONSULTANT
Page 1 of 3

EDUCATION:

MBA, Oklahoma City University, 2002
B.S.B., International Business, Oklahoma City University, 1999

PERTINENT EXPERIENCE FOR THE PROJECT:

Ms. Payne specializes in the development of revenue requirements, cost of capital, cost of service, accounting issues, rate design, and financial forecasts for electric, water, and wastewater utility systems. Ms. Payne assists project managers in the preparation of rate filings and cost of service studies.

Ms. Payne develops Rate Analysis and Cost of Service Studies for electric cooperatives and municipals by defining the appropriate revenue requirement and allocating plant investment and operation and maintenance expenses to each rate class. She then uses the Cost of Service study to examine the extent to which costs are being recovered by existing rates and, if necessary, develops new rates to recover revenue requirement and appropriate costs.

SPECIFIC CONSULTING EXPERIENCE:

Cost of Service and Rates

The following are projects on which Ms. Payne has been involved:

Arizona

- Navopache Electric Cooperative, Lakeside
- Sulphur Springs Valley Electric Cooperative, Willcox
- Trico Electric Cooperative, Marana

Arkansas

- Ozarks Electric Cooperative Corp., Fayetteville

Colorado

- San Luis Valley REC, Monte Vista
- Y-W Electric Association, Akron

Iowa

- Midland Power Cooperative, Jefferson

Kansas

- Ark Valley ECA, Hutchinson

Louisiana

- Claiborne Electric Cooperative, Homer

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Exhibit RAP - 1

REBECCA PAYNE
SENIOR CONSULTANT
Page 2 of 3

Minnesota

- Agralite Electric Cooperative, Benson

Missouri

- Platte-Clay Electric Cooperative, Kearney

Nebraska

- Dawson County PPD, Lexington

Oklahoma

- Caddo Electric Cooperative, Binger
- Central Rural Electric Cooperative, Stillwater
- Cimarron Electric Cooperative, Kingfisher
- Cookson Hills Electric Cooperative, Stigler
- Cotton Electric Cooperative, Walters
- City of Ponca City
- Lake Region Electric Cooperative, Hulbert
- Rural Electric Cooperative, Lindsay
- Tri-County Electric Cooperative, Hooker

Texas

- Bailey County ECA, Muleshoe
- Bandera Electric Cooperative, Bandera
- Bluebonnet Electric Cooperative, Giddings
- Cooke County ECA, Muenster
- Deaf Smith Electric Cooperative, Hereford
- Grayson-Collin Electric Cooperative, Van Alstyne
- Guadalupe Valley Electric Cooperative, Gonzales
- Jackson Electric Cooperative, Edna
- Karnes Electric Cooperative, Karnes City
- Magic Valley Electric Cooperative, Mercedes
- Medina Electric Cooperative, Hondo
- North Plains Electric Cooperative, Perryton
- Nueces Electric Cooperative, Robstown
- South Plains Electric Cooperative, Lubbock
- Southwest Texas Electric Cooperative, El Dorado
- Swisher Electric Cooperative, Tulia
- Taylor Electric Cooperative, Merkel
- Tri-County Electric Cooperative, Azle
- Trinity Valley Electric Cooperative, Kaufman
- United Cooperative Services, Cleburne
- Victoria Electric Cooperative, Victoria
- Wise Electric Cooperative, Decatur

Wyoming

- Powder River Energy Corporation, Sundance
- Wyrulec Company, Lingle



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REBECCA PAYNE
SENIOR CONSULTANT
Page 3 of 3

Publications and Presentations:

"Knowledge is Power: Financial Forecasting" has been presented yearly in GUERNSEY's offices in Oklahoma City since 2006. Ms. Payne has assisted as a presenter for this seminar numerous times.

"Knowledge is Power: Understanding Rates and Cost of Service" has been presented several times each year since 2005, at GUERNSEY's offices in Oklahoma City as well as in other locations. Ms. Payne has been a presenter for this seminar.

EXPERIENCE RECORD:

1999-Present - Consultant, C. H. Guernsey & Company, Oklahoma City, Okla.

1999-2004 - Consultant, Analytical Solutions Group

2004-2005 - Video Professor, Inc., Lakewood, Colo.

Ms. Payne worked as a Financial Analyst providing information to upper management to aid in making business decisions. She prepared and monitored reports on key elements of the business model to identify problem areas. She assisted in budget preparation for multiple business segments and maintained updated forecasts to monitor deviations from the budget. She also provided financial viability analysis that helped measure success of marketing projects.

ATTACHMENT 6

GARKANE ELECTRIC COOPERATIVE, INC.

RATE ANALYSIS
AND
COST OF SERVICE STUDY

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GARKANE ELECTRIC COOPERATIVE, INC.

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GARKANE ELECTRIC COOPERATIVE, INC.

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GARKANE ENERGY COOPERATIVE, INC.

COMPUTATION OF INCREASE IN GROSS REVENUE REQUIREMENTS

1 Adjusted Rate Base	\$ 60,782,310
2 Adjusted Operating Income	\$ 1,171,743
3 Current Rate of Return	6.30%
4 Required Operating Income	\$ 1,971,033
5 Required Rate of Return	5.65%
6 Operating Income Deficiency	\$ (799,289)
7 Gross Revenue Conversion Factor	N/A
8 Increase in Gross Revenue Requirement	\$ 799,289

Customer Classification	Projected Revenue Increase Due To Rates	% Dollar Increase
Utah		
Residential	634,468	9.01%
Residential - Kanab City	97,582	8.01%
Residential - Hildale	(54,709)	-5.64%
GS No. 1	137,256	6.49%
GS No. 1 - Kanab City	55,899	6.27%
GS No. 1 - Hildale	(5,129)	-2.81%
GS No. 2	114,957	4.98%
GS No. 2 - Kanab City	29,246	4.83%
GS No. 2 - Hildale	(66,543)	-14.69%
GS No. 3	196	0.08%
GS No. 3 - Kanab City	69	0.45%
GS No. 1-Public Bldg&Auth-Hildale	(2,877)	-4.30%
GS No. 2-Public Bldg&Auth-Hildale	(29)	-0.26%
Net Meter - Residential	2,555	15.56%
Net Meter - Commercial	302	0.65%
Irrigation	7	0.00%
Muni Culinary and Irrig, Pumping	265	0.76%
Extra Large Power Service	3,192	0.21%
Street & Security Lighting	4,205	3.85%
St. & Security Lights-Kanab City	506	3.45%
Other	0	0.00%
Total Utah	951,417	5.22%

GARKANE ENERGY COOPERATIVE, INC.

COMPUTATION OF INCREASE IN GROSS REVENUE REQUIREMENTS

Arizona			
Residential Service	3,338		0.40%
Residential Service - Colorado City	(77,776)		-4.68%
GS No. 1	3,782		1.35%
GS No. 1 - Colorado City	(7,150)		-2.46%
GS No. 2	(38,844)		-5.60%
GS No. 2 - Colorado City	(26,449)		-14.07%
GS No. 1 - Public Bldg. & Auth.	(1,033)		-1.98%
GS No. 1 - Public Bldg&Auth - CC	(4,872)		-4.56%
GS No. 2 - Public Bldg&Auth - CC	(10,203)		-4.22%
Irrigation	286		0.67%
Street and Security Lights	(447)		-3.69%
Other	7,240		4.54%
Total Arizona	(152,128)		-3.33%
Total System			
Residential	602,903		5.14%
General Service No. 1	184,658		4.91%
General Service No. 2	12,366		0.29%
General Service No. 3	265		0.10%
General Service No.1 Public Bldg	(8,781)		-3.89%
GS No. 2-Public Bldg&Auth-Hildale	(10,232)		-4.05%
Net Meter - Residential	2,555		15.56%
Net Meter - Commercial	302		0.65%
Irrigation	292		0.07%
Muni Culinary and Irrig, Pumping	265		0.76%
Extra Large Power Service	3,192		0.21%
Street & Security Lighting	4,264		3.20%
Other	7,240		0.74%
Total	799,289		3.39%

GARKANE ENERGY COOPERATIVE, INC.

INCOME STATEMENT
DECEMBER 31, 2013

	Test Year 12/31/2011 (a)	Test Year 12/31/2012 (b)	Test Year 12/31/2013 (c)	Adjustments (d)	Adjusted Test Year (e)	Rate Change (f)	Adjusted Test Year w/ Rate Change (g)
Operating Revenues							
Base Revenue	\$ 21,705,508	\$ 21,845,636	\$ 22,514,371	\$ (226,228)	\$ 22,288,143	\$ 1,127,953	\$ 23,416,096
PCA Revenue			232,604	103,347	335,951	(335,904)	47
Other	219,830	207,938	979,194	0	979,194	7,240	986,434
Total	\$ 21,925,338	\$ 22,053,574	\$ 23,726,169	\$ (122,881)	\$ 23,603,288	\$ 799,289	\$ 24,402,577
Operating Expenses							
Power Production Expense	\$ 778,900	\$ 361,547	\$ 533,418	\$ 2,933	\$ 536,351	\$	\$ 536,351
Purchased Power	7,369,190	7,171,567	8,052,288	792,887	8,845,175		8,845,175
Transmission O&M	200,401	396,931	254,926	7,271	262,197		262,197
Distribution-Operations	852,236	837,597	829,486	30,048	859,534		859,534
Distribution-Maintenance	1,135,923	1,199,253	1,021,442	34,579	1,056,021		1,056,021
Consumer Accounting	744,906	807,065	820,564	22,258	842,822		842,822
Customer Service	95,695	91,113	90,363	3,505	93,868		93,868
Sales	8,312	11,567	24,262	0	24,262		24,262
Administrative & General	4,526,284	4,312,964	4,518,598	398,821	4,917,419		4,917,419
Depreciation	2,404,762	2,676,561	2,821,804	49,458	2,871,262		2,871,262
Tax	511,909	622,671	622,724	37,926	660,650		660,650
Total	\$ 18,628,518	\$ 18,488,836	\$ 19,589,875	\$ 1,379,686	\$ 20,969,561	\$ 0	\$ 20,969,561
Return	\$ 3,296,820	\$ 3,564,738	\$ 4,136,294	\$ (1,502,567)	\$ 2,633,727	\$ 799,289	\$ 3,433,016
Interest & Other Deductions							
Interest L-T Debt	\$ 1,652,796	\$ 1,413,372	\$ 1,330,259	\$ 111,955	\$ 1,442,214	\$	\$ 1,442,214
Interest-Other	34,226	26,968	19,770	0	19,770		19,770
Other Deductions	28,043	22,427	27,209	(27,209)	0		0
Total	\$ 1,715,065	\$ 1,462,767	\$ 1,377,238	\$ 84,746	\$ 1,461,984	\$ 0	\$ 1,461,984
Operating Margin	\$ 1,581,755	\$ 2,101,971	\$ 2,759,056	\$ (1,587,313)	\$ 1,171,743	\$ 799,289	\$ 1,971,033
Non-Operating Margins							
Interest Income	\$ 40,912	\$ 36,481	\$ 41,437	\$	\$ 41,437	\$	\$ 41,437
Other Margins	375,251	370,907	516,880		516,880		516,880
G&T Capital Credits	6,819	13,638	6,819		6,819		6,819
Other Capital Credits	171,387	129,555	133,633		133,633		133,633
Total	\$ 594,369	\$ 550,581	\$ 698,769	\$ 0	\$ 698,769	\$	\$ 698,769
Net Margins	\$ 2,176,124	\$ 2,652,552	\$ 3,457,825	\$ (1,587,313)	\$ 1,870,512	\$ 799,289	\$ 2,669,802
Operating TIER							
Net TIER	1.96	2.49	3.07		1.81		2.37
Net TIER Excl Capital Credits	2.32	2.88	3.60		2.30		2.85
DSC	2.21	2.79	3.50		2.20		2.76
Rate of Return	2.13	2.41	2.74		2.14		2.42
Rate Base	5.45%	5.78%	6.30%		4.33%		5.65%
Principal Payments	\$ 60,530,840	\$ 61,686,801	\$ 55,689,179	\$ (4,906,869)	\$ 60,782,310	\$ 0	\$ 60,782,310
Percent Change to Actual TY Base Revenue	1,273,549	1,387,069	1,446,949	0	1,446,949		1,446,949
Percent Change to Adjusted TY Total Revenue							4.01%
							3.39%

Supporting Schedules:

B-2.0, C-1.0, C-2.0

Recap Schedules:

A-1.0

GARKANE ENERGY COOPERATIVE, INC.

CONSTRUCTION EXPENDITURES AND GROSS UTILITY PLANT IN SERVICE

	Construction Expenditures	Retirements	Utility Plant	Accum. Deprec.	Net Plant
December 31, 2011	\$ 5,776,064	\$ 1,919,772	\$ 92,647,646	\$ 33,091,923	\$ 59,555,723
December 31, 2012	6,090,554	2,998,842	95,739,358	35,046,296	60,693,062
December 31, 2013	7,690,051	1,005,801	102,423,608	37,792,643	64,630,965
Projected					
Projected 12/31/2014	6,000,000	2,000,000	106,423,608	38,921,497	67,502,111
Projected 12/31/2015	6,000,000	2,000,000	110,423,608	40,167,951	70,255,657
Projected 12/31/2016	6,000,000	2,000,000	114,423,608	41,532,005	72,891,603

GARKANE ENERGY COOPERATIVE, INC.

CHANGES IN FINANCIAL POSITION

	2011	2012	Test Year 12/31/2013	Adjusted Test Year	Proposed Rates
<u>Sources of Funds:</u>					
1. Operations					
Net Margins	\$ 2,176,124	\$ 2,652,552	\$ 3,457,825	\$ 1,870,512	\$ 2,669,802
Depreciation	2,404,762	2,676,561	2,821,804	2,871,262	2,871,262
Other Capital Credits Assigned	(171,387)	(129,555)	(133,633)	133,633	133,633
Cash Margins From Operations	4,409,499	5,199,558	6,145,996	4,875,407	5,674,697
2. Outside Financing	1,950,000	1,000,000	2,000,000	2,000,000	2,000,000
3. Total Funds Provided	6,359,499	6,199,558	8,145,996	6,875,407	7,674,697
<u>Application of Funds:</u>					
4. Construction Expenditures	\$ 8,194,819	\$ 5,277,632	\$ 7,037,940	\$ 7,037,940	\$ 7,037,940
5. Other					
Principal Payments	1,273,549	1,387,069	1,446,949	1,446,949	1,446,949
Current Assets	(137,535)	(308,588)	1,229,706	1,229,706	1,229,706
Current Liabilities	12,970	(210,544)	(419,726)	(419,726)	(419,726)
Total	1,148,984	867,937	2,256,929	2,256,929	2,256,929
6. Total Funds Applied	9,343,803	6,145,569	9,294,869	9,294,869	9,294,869
7. Ending Cash Balance	\$ 2,984,304	\$ 3,038,293	\$ 1,889,420	\$ 618,831	\$ 1,418,121
8. Change in Cash From Prior Year		\$ 53,989	\$ (1,148,873)	\$ (2,419,462)	\$ (1,620,172)

Estimated amounts.

Supporting Schedules:

A-2.0, C-1.0, E-1.0, E-2.0

GARKANE ENERGY COOPERATIVE, INC.

ORIGINAL COST RATE BASE AND PRO FORMA ADJUSTMENTS
DECEMBER 31, 2013

	Test Year 12/31/2013 (a)	Adjustments (b)	Adjusted Test Year (c)	Rate Change (d)	Adjusted Test Year w/ Rate Change (e)
Plant in Service	\$ 97,516,738	\$ 0	\$ 97,516,738	\$	\$ 97,516,738
CWIP	4,906,869	(4,906,869)	0		0
Total Utility Plant	\$ 102,423,607	\$ (4,906,869)	\$ 97,516,738	\$ 0	\$ 97,516,738
Accumulated Depreciation	(37,792,643)	0	(37,792,643)		(37,792,643)
Net Utility Plant	\$ 64,630,964	\$ (4,906,869)	\$ 59,724,095	\$ 0	\$ 59,724,095
Materials & Supplies	\$ 3,186,846	\$ 0	\$ 3,186,846	\$ 0	\$ 3,186,846
Prepayments	157,477	0	157,477	0	157,477
Cash Working Capital	0	0	0	0	0
Consumer Deposits	(661,617)	0	(661,617)	0	(661,617)
Consumer Construction Advances	(1,624,491)	0	(1,624,491)	0	(1,624,491)
Working Capital & Deductions	\$ 1,058,215	\$ 0	\$ 1,058,215	\$ 0	\$ 1,058,215
Total Rate Base	\$ 65,689,179	\$ (4,906,869)	\$ 60,782,310	\$ 0	\$ 60,782,310
Operating Revenues	\$ 23,726,169	\$ (122,881)	\$ 23,603,288	\$ 799,289	\$ 24,402,577
Operating Expenses	19,589,875	1,379,686	20,969,561	0	20,969,561
Return	\$ 4,136,294	\$ (1,502,567)	\$ 2,633,727	\$ 799,289	\$ 3,433,016
Rate of Return	6.30%		4.33%		5.65%

Supporting Schedules:

A-2.0, B-5.0, B-5.1, B-5.2, C-1.0, E-1.0

Recap Schedules:

A-1.0, A-2.0

Schedule B-2.0

GARKANE ENERGY COOPERATIVE, INC.

COMPUTATION OF WORKING CAPITAL PAGE 1 - CASH WORKING CAPITAL
DECEMBER 31, 2013

	Test Year 12/31/2013 (a)	Adjustments (b)	Adjusted Test Year (c)	Rate Change (d)	Adjusted Test Year w/ Rate Change (e)
Transmission O&M	\$ 254,926	\$ 7,271	\$ 262,197	\$ 0	\$ 262,197
Distribution-Operations	829,486	30,048	859,534	0	859,534
Distribution-Maintenance	1,021,442	34,579	1,056,021	0	1,056,021
Consumer Accounting	820,564	22,258	842,822	0	842,822
Customer Service	90,363	3,505	93,868	0	93,868
Sales	24,262	0	24,262	0	24,262
Administrative & General	4,518,598	398,821	4,917,419	0	4,917,419
Total	\$ 7,559,641	\$ 496,482	\$ 8,056,123	\$ 0	\$ 8,056,123
Requested Days Lag	0	0	0	0	0
Cash Working Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Supporting Schedules:
A-2.0

Recap Schedules:
B-2.0

GARKANE ENERGY COOPERATIVE, INC.

COMPUTATION OF WORKING CAPITAL PAGE 2
AVERAGE MATERIALS & SUPPLIES, PREPAYMENTS, CONSUMER DEPOSITS,
CONSUMER ENERGY PREPAYMENTS, AND CONSUMER CONSTRUCTION ADVANCES
DECEMBER 31, 2013

	Materials & Supplies	Prepayments	Consumer Deposits	Consumer Construction Advances
December 31, 2012	\$ 3,120,670.00	\$ 86,445.00	\$ 667,665.00	\$ 1,492,452.26
January	3,212,193.10	69,156.00	614,077.32	1,506,657.26
February	3,394,831.33	51,867.00	619,017.32	1,512,657.26
March	3,404,903.84	34,578.00	627,926.56	1,538,657.26
April	3,312,585.38	143,318.85	641,333.57	1,560,173.26
May	3,403,621.03	321,940.11	656,396.56	1,586,802.46
June	3,383,637.48	288,407.34	668,860.03	1,646,558.46
July	3,387,276.87	255,446.28	675,288.03	1,662,558.46
August	3,156,734.66	238,157.28	680,106.31	1,712,950.46
September	3,015,215.10	189,524.16	684,546.97	1,743,950.46
October	2,858,964.08	156,563.10	690,208.35	1,786,074.46
November	2,888,195.32	123,602.04	683,594.02	1,826,634.46
December 31, 2013	2,890,167.37	88,191.00	691,999.91	1,542,257.64
Average	\$ 3,186,846.00	\$ 157,477.00	\$ 661,617.00	\$ 1,624,491.00

GARKANE ENERGY COOPERATIVE, INC.

ACCUMULATED DEPRECIATION
AS OF DECEMBER 31, 2013

108.20	Other Production Plant	\$	<u>427,578.68</u>
108.21	IRC Generators	\$	<u>108,362.04</u>
108.30	Hydro Plant	\$	<u>3,021,837.23</u>
108.50	Transmission Plant	\$	<u>8,091,176.04</u>
108.60	Distribution Plant	\$	<u>20,384,863.75</u>
108.62	Net Loss/Gain WO Sys	\$	<u>(2,633,143.94)</u>
General Plant			
108.70	Gen Plant	\$	1,297,278.09
108.71	Gen Off Plant		711,488.60
108.72	Trans Equip - Auto		20,314.92
108.73	Trans Equip - Lt Trk		1,194,048.05
108.74	Trans Equip - Heavy Trucks		65,405.06
108.75	Trans Equip - Trailers		656,327.43
108.76	Tools, Garage, Shop		56,154.26
108.77	Laboratory Equipment		355,074.61
108.78	Communications Equipment		200,748.51
108.90	Misc Equip		436,433.02
108.91	Heavy Equipment		3,169,697.93
108.93	SCADA Equipment		243,991.46
	Total	\$	<u>8,406,961.94</u>
	Retirement Work in Progress	\$	<u>(14,992.51)</u>
	Total	\$	<u>37,792,643.23</u>

Recap Schedule:
B-2.0

GARKANE ENERGY COOPERATIVE, INC.

ADJUSTED TEST YEAR INCOME STATEMENT
DECEMBER 31, 2013

	Test Year 12/31/2013	Adjustments	Adjusted Test Year
	(a)	(b)	(c)
Operating Revenues			
Base Revenue	\$ 22,514,371	\$ (226,228)	\$ 22,288,143
PCA Revenue	232,604	103,347	335,951
Other	979,194	0	979,194
Total	\$ 23,726,169	\$ (122,881)	\$ 23,603,288
Operating Expenses			
Power Production Expense	\$ 533,418	\$ 2,933	\$ 536,351
Purchased Power	8,052,288	792,887	8,845,175
Transmission O&M	254,926	7,271	262,197
Distribution-Operations	829,486	30,048	859,534
Distribution-Maintenance	1,021,442	34,579	1,056,021
Consumer Accounting	820,564	22,258	842,822
Customer Service	90,363	3,505	93,868
Sales	24,262	0	24,262
Administrative & General	4,518,598	398,821	4,917,419
Depreciation	2,821,804	49,458	2,871,262
Tax	622,724	37,926	660,650
Total	\$ 19,589,875	\$ 1,379,686	\$ 20,969,561
Return	\$ 4,136,294	\$ (1,502,567)	\$ 2,633,727
Interest & Other Deductions			
Interest L-T Debt	\$ 1,330,259	\$ 111,955	\$ 1,442,214
Interest-Other	19,770	0	19,770
Other Deductions	27,209	(27,209)	0
Total	\$ 1,377,238	\$ 84,746	\$ 1,461,984
Operating Margin	\$ 2,759,056	\$ (1,587,313)	\$ 1,171,743
Non-Operating Margins			
Interest Income	\$ 41,437	\$ 0	\$ 41,437
Other Margins	516,880	0	516,880
G&T Capital Credits	6,819	0	6,819
Other Capital Credits	133,633	0	133,633
Total	\$ 698,769	\$ 0	\$ 698,769
Net Margins	\$ 3,457,825	\$ (1,587,313)	\$ 1,870,512
Operating TIER	3.07		1.81
Net TIER	3.60		2.30
Net TIER Excl Capital Credits	3.50		2.20
DSC	2.74		2.14
Rate of Return	6.30%		4.33%
Rate Base	\$ 65,689,179	\$ (4,906,869)	\$ 60,782,310
Principal Payments	1,446,949	0	1,446,949

Recap Schedule:
A-1.0

Supporting Schedules:
A-2.0, C-1.0, C-2.0, C-2.1

GARKANE ENERGY COOPERATIVE, INC.
SUMMARY OF INCOME STATEMENT PRO FORMA ADJUSTMENTS

1. Operating Revenues

Base Revenue	\$ (226,228)
PCA Revenue	103,347
Other	0
Total	\$ (122,881)

2. Operating Expenses

Purchased Power	\$ 791,002
Payroll	151,342
Benefits	318,966
Payroll Tax	5,993
Rate Case	25,000
Memberships/Donations	0
Depreciation	49,458
Property Tax	37,926
Total	\$ 1,379,686

3. Interest on Long-Term Debt & Other Deductions

Interest on Long-Term Debt	\$ 111,955
Other Deductions	(27,209)
Total	\$ 84,746

4. Non-Operating Margins

Interest Income	\$
Gain (Loss) Equity Investment	
G&T Capital Credits	
Total	\$ 0

GARKANE ENERGY COOPERATIVE, INC.
SUMMARY OF INCOME STATEMENT PRO FORMA ADJUSTMENTS

5. Operating Expenses - Detail

Power Generation	\$	2,821
Payroll		112
Payroll Tax		2,933
Total	\$	<u>2,933</u>
Purchased Power	\$	791,002
Payroll		1,813
Payroll Tax		72
Total	\$	<u>792,887</u>
Transmission O&M	\$	6,994
Payroll		277
Payroll Tax		7,271
Total	\$	<u>7,271</u>
Distribution-Operations	\$	28,903
Payroll		1,145
Payroll Tax		30,048
Total	\$	<u>30,048</u>
Distribution-Maintenance	\$	33,262
Payroll		1,317
Payroll Tax		34,580
Total	\$	<u>34,580</u>
Consumer Accounting	\$	21,410
Payroll		848
Payroll Tax		22,258
Total	\$	<u>22,258</u>

Supporting Schedules:
C-2.1 thru C-2.17, D-2.0

Recap Schedules:
A-2.0, C-1.0

GARKANE ENERGY COOPERATIVE, INC.

SUMMARY OF INCOME STATEMENT PRO FORMA ADJUSTMENTS

5. Operating Expenses - Detail (Continued)

Customer Service	
Payroll	\$ 3,371
Payroll Tax	134
Memberships/Donations	0
Total	<u>\$ 3,505</u>
Sales	
Payroll	\$ 0
Payroll Tax	0
Total	<u>\$ 0</u>
Administrative & General	
Payroll	\$ 52,766
Benefits	318,966
Payroll Tax	2,090
Rate Case	25,000
Memberships/Donations	
Total	<u>\$ 398,821</u>
Depreciation	
Depreciation	\$ 49,458
Taxes	
Property Tax	\$ 37,926
Franchise Tax	
Total	<u>\$ 37,926</u>
Total Operating Expenses	<u>\$ 1,379,686</u>

Supporting Schedules:
C-2.1 thru C-2.17, D-2.0

Recap Schedules:
A-2.0, C-1.0

GARKANE ENERGY COOPERATIVE, INC.

PRO FORMA ADJUSTMENTS TO OPERATING EXPENSES
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	Test Year 12/31/2013	Adjustments			Adjusted Test Year
		Purchased Power	Payroll	Payroll Taxes	
Power Generation					
536.00 Water Power Rights& FERC License	\$ 187,643.23	\$	\$ 377.07	\$ 14.94	\$ 188,035.24
538.00 Electric Expense	159,000.00		0.00	0.00	159,000.00
539.00 Hydraulic Power Generation	6,706.12		0.00	0.00	6,706.12
543.00 Maint. of Reservoirs, Dams & Waterways	13,204.97		514.22	20.36	13,739.55
544.00 Maint. of Electric Plant	149,811.08		1,244.13	49.27	151,104.48
548.00 Generation Expenses	9,549.37		424.58	16.81	9,990.76
549.00 Misc. Other Gen Expense	330.65		0.00	0.00	330.65
553.00 Maint. of Generating & Electric Equip	7,172.56		261.43	10.35	7,444.34
Total	\$ 533,417.98	\$ 0.00	\$ 2,821.43	\$ 111.73	\$ 536,351.14
Purchased Power					
555.00 Purchased Power	\$ 7,988,628.58	\$ 791,001.88	\$ 0.00	\$ 0.00	\$ 8,779,630.46
555.10 PP - Greenway Program	1,825.07		0.00	0.00	1,825.07
556.00 Load Dispatching	57,680.69		1,813.07	71.80	59,565.56
557.00 Other Expenses	4,153.85		0.00	0.00	4,153.85
Total	\$ 8,052,288.19	\$ 791,001.88	\$ 1,813.07	\$ 71.80	\$ 8,845,174.94
Transmission O&M					
561.00 Load Dispatching	\$ 52,150.57	\$	\$ 1,582.22	\$ 62.66	\$ 53,795.45
562.00 Station Expenses	21,068.93		416.61	16.50	21,502.04
563.00 Overhead Line	19,604.71		423.90	16.78	20,045.39
566.00 Miscellaneous	38,549.28		80.88	3.20	38,633.36
570.00 Maint. of Station Equipment	78,771.90		3,179.96	125.93	82,077.79
571.00 Maint. of Overhead Lines	44,780.70		1,310.63	51.90	46,143.23
Total	\$ 254,926.09	\$	\$ 6,994.20	\$ 276.97	\$ 262,197.26
Distribution-Operations					
580.00 Supervision & Engineering	\$ 31,859.71	\$	\$ 1,404.12	\$ 55.61	\$ 33,319.44
581.00 Load Dispatching	37,215.34		18.17	0.72	37,234.23
582.00 Station Expenses	14,498.05		12.46	0.50	14,511.01
583.00 Overhead Line	127,813.51		4,158.87	164.70	132,137.08
584.00 Underground Line	20,850.43		358.52	14.20	21,223.15
585.00 Street Lighting & Signal System	7,510.38		328.94	13.03	7,852.35
586.00 Meter Expense	284,875.50		10,887.43	431.15	296,194.08
587.00 Consumer Installation Expense	3,405.26		311.56	12.34	3,729.16
588.00 Miscellaneous	286,788.79		11,407.99	451.77	298,648.55
589.00 Rents	14,668.69		15.37	0.61	14,684.67
Total	\$ 829,485.66	\$	\$ 28,903.43	\$ 1,144.63	\$ 859,533.72

GARKANE ENERGY COOPERATIVE, INC.

PRO FORMA ADJUSTMENTS TO OPERATING EXPENSES
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	Test Year 12/31/2013	Adjustments				Adjusted Test Year
		Purchased Power	Payroll	Taxes	Other	
<u>Distribution-Maintenance</u>						
590.00 Supervision & Engineering	\$ 30,052.10	\$	\$ 1,336.97	\$ 52.95	\$	\$ 31,442.02
592.00 Maint. of Station Equipment	155,043.06		2,944.86	116.62		158,104.54
593.00 Maint. of Overhead Lines	431,864.09		14,276.43	565.36		446,705.88
594.00 Maint. of Underground Lines	167,996.31		6,353.94	251.62		174,601.87
595.00 Maint. of Line Transformers	22,837.69		1,281.30	50.74		24,169.73
596.00 Maint. of Street Lights	19,153.06		684.12	27.09		19,864.27
597.00 Maint. of Meters	123,233.45		4,629.15	183.32		128,045.92
598.00 Maint. of Misc. Distrib. Plant	71,262.06		1,755.66	69.52		73,087.24
Total	\$ 1,021,441.82	\$	\$ 33,262.43	\$ 1,317.22	\$ 0.00	\$ 1,056,021.47
<u>Consumer Accounting</u>						
901.00 Supervision	\$ 7,471.98	\$	\$ 331.20	\$ 13.11	\$	\$ 7,816.29
902.00 Meter Reading	307,862.86		8,041.78	318.46		316,223.10
903.00 Customer Records	505,229.34		13,037.17	516.28		518,782.79
904.00 Uncollectibles	0.00		0.00	0.00		0.00
Total	\$ 820,564.18	\$	\$ 21,410.15	\$ 847.85	\$ 0.00	\$ 842,822.18
<u>Customer Service</u>						
907.00 Supervision	\$ 121.27	\$	\$ 5.57	\$ 0.22	\$	\$ 127.06
908.00 Customer Assistance	61,395.22		2,737.48	108.41		64,241.11
909.00 Info. & Instruct. Advertising	27,355.17		563.16	22.30		27,940.63
910.00 Miscellaneous	1,491.43		64.94	2.57		1,558.94
Total	\$ 90,363.09	\$ 0.00	\$ 3,371.15	\$ 133.50	\$ 0.00	\$ 93,867.74
<u>Sales</u>						
912.00 Demonstration & Selling	\$ 24,061.57	\$	\$ 0.00	\$ 0.00	\$	\$ 24,061.57
913.00 Advertising	200.00		0.00	0.00		200.00
Total	\$ 24,261.57	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 24,261.57
<u>Administrative & General</u>						
920.00 Salaries	\$ 686,427.05	\$	\$ 31,894.03	\$ 1,263.03	\$	\$ 719,584.11
921.00 Office Supplies & Expenses	266,711.15		1,125.86	44.59		267,881.60
923.00 Outside Services	57,822.78		0.00	0.00	25,000.00	82,822.78
924.00 Property Insurance	209,918.00		0.00	0.00		209,918.00
925.00 Injuries & Damages	162,502.06		2,391.05	94.88		164,987.79
926.00 Pensions & Benefits	2,001,146.52		3,207.23	127.01	318,965.64	2,323,446.40
928.00 Regulatory Commission	31,998.84		0.00	0.00		31,998.84
930.00 Miscellaneous	824,473.20		9,211.62	364.79		834,049.61
932.00 Maint. of General Plant	277,598.49		4,935.95	185.47		282,729.91
Total	\$ 4,518,598.09	\$	\$ 52,765.74	\$ 2,089.57	\$ 343,965.64	\$ 4,917,419.04

Supporting Schedules:
C-2.2 thru C-2.17Recap Schedules:
A-2.0, C-1.0

GARKANE ENERGY COOPERATIVE, INC.

PRO FORMA ADJUSTMENTS TO OPERATING EXPENSES
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	Test Year 12/31/2013	Adjustments				Adjusted Test Year
		Purchased Power	Payroll	Payroll Taxes	Other	
Depreciation						
403.20 Other Production Plant	\$ 156,768.24	\$	\$	\$	\$ 6,946.81	\$ 163,715.05
403.50 Transmission Plant	465,595.90				2,072.29	467,668.19
403.60 Distribution Plant	1,606,096.86				39,268.22	1,645,365.08
403.70 General Plant	593,343.28				1,170.32	594,513.60
Total	\$ 2,821,804.28	\$	\$	\$	\$ 49,457.64	\$ 2,871,261.92
Taxes						
408.10 Property	\$ 566,006.74	\$	\$	\$	\$ 37,926.26	\$ 603,933.00
408.30 FICA	1,284.84					1,284.84
408.40 State Unemployment	3.04					3.04
408.50 State Sales & Use	21,197.57					21,197.57
408.60 Other	34,231.32					34,231.32
Total	\$ 622,723.51	\$ 0.00	\$ 0.00	\$ 0.00	\$ 37,926.26	\$ 660,649.77
Total O&M Expenses	\$ 19,589,874.46	\$ 791,001.88	\$ 151,341.60	\$ 5,993.27	\$ 431,349.54	\$ 20,969,560.75

GARKANE ENERGY COOPERATIVE, INC.

PAYROLL EXPENSED - ADJUSTMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

Form 7													
	Test Year 12/31/2013				Test Year 12/31/2013				Adjustment	Adjusted Test Year			
	Labor + Overhead		Labor+Overhead w/Clearing Spread		Labor Only		Labor Only w/Clearing Spread						
Power Generation													
536.00	Water Power Rights& FERC License	\$	8,013.36	\$	9,063.47	\$	6,551.04	\$	7,414.99	\$	377.07	\$	7,792.06
538.00	Electric Expense		0.00		0.00		0.00		0.00		0.00		0.00
539.00	Hydraulic Power Generation		0.00		0.00		0.00		0.00		0.00		0.00
543.00	Maint. of Reservoirs, Dams & Waterways		11,534.96		13,046.56		8,933.71		10,111.88		514.22		10,626.10
544.00	Maint. of Electric Plant		27,556.35		31,167.48		21,614.68		24,486.20		1,244.13		25,709.33
548.00	Generation Expenses		9,235.30		10,445.54		7,376.33		8,348.11		424.58		8,773.69
549.00	Misc. Other Gen Expense		0.00		0.00		0.00		0.00		0.00		0.00
553.00	Maint. of Generating & Electric Equip		5,949.96		6,729.67		4,541.99		5,140.98		261.43		5,402.41
	Total	\$	62,289.93	\$	70,452.73	\$	49,017.75	\$	55,482.17	\$	2,821.43	\$	58,303.60
Purchased Power													
555.00	Purchased Power	\$	0.00	\$	0.00	\$	0.00	\$	0.00	\$	0.00	\$	0.00
555.10	PP - Greenway Program		0.00		0.00		0.00		0.00		0.00		0.00
556.00	Load Dispatching		40,099.23		45,354.04		31,499.04		35,653.10		1,813.07		37,466.17
557.00	Other Expenses		0.00		0.00		0.00		0.00		0.00		0.00
	Total	\$	40,099.23	\$	45,354.04	\$	31,499.04	\$	35,653.10	\$	1,813.07	\$	37,466.17
Transmission O&M													
561.00	Load Dispatching	\$	35,509.81	\$	40,163.20	\$	27,488.41	\$	31,113.56	\$	1,582.22	\$	32,695.78
562.00	Station Expenses		9,380.08		10,609.29		7,237.87		8,192.39		416.61		8,609.00
563.00	Overhead Line		9,358.46		10,584.84		7,364.50		8,335.72		423.90		8,759.62
566.00	Miscellaneous		1,781.20		2,014.62		1,405.20		1,590.52		80.88		1,671.40
570.00	Maint. of Station Equipment		70,617.85		79,871.98		55,246.55		62,532.41		3,179.96		65,712.37
571.00	Maint. of Overhead Lines		28,699.25		32,460.15		22,769.96		25,772.84		1,310.63		27,083.47
	Total	\$	155,346.65	\$	175,704.08	\$	121,512.49	\$	137,537.45	\$	6,994.20	\$	144,531.65
Distribution-Operations													
580.00	Supervision & Engineering	\$	31,653.19	\$	35,801.19	\$	24,394.21	\$	27,611.30	\$	1,404.12	\$	29,015.42
581.00	Load Dispatching		400.61		453.11		315.63		357.25		18.17		375.42
582.00	Station Expenses		272.44		308.14		216.42		244.96		12.46		257.42
583.00	Overhead Line		92,755.86		104,911.07		72,253.47		81,782.19		4,158.87		85,941.06
584.00	Underground Line		7,964.00		9,007.64		6,228.65		7,050.08		358.52		7,408.60
585.00	Street Lighting & Signal System		7,358.81		8,323.15		5,714.82		6,468.49		328.94		6,797.43
586.00	Meter Expense		244,222.18		276,226.32		189,151.04		214,096.11		10,887.43		224,983.54
587.00	Consumer Installation Expense		6,784.68		7,673.78		5,412.81		6,126.65		311.56		6,438.21
588.00	Miscellaneous		255,666.55		289,170.42		198,195.06		224,332.84		11,407.99		235,740.83
589.00	Rents		331.42		374.85		267.04		302.26		15.37		317.63
	Total	\$	647,409.74	\$	732,249.67	\$	502,149.15	\$	568,372.12	\$	28,903.43	\$	597,275.55

Supporting Schedules:
C-2.8Recap Schedules:
C-2.1

GARKANE ENERGY COOPERATIVE, INC.

PAYROLL EXPENSED - ADJUSTMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	Form 7					
	Test Year 12/31/2013		Test Year 12/31/2013		Test Year 12/31/2013	
	Labor + Overhead	Labor+Overhead w/Clearing Spread	Labor Only	Labor Only w/Clearing Spread	Adjustment	Adjusted Test Year
Distribution-Maintenance						
590.00 Supervision & Engineering	\$ 30,052.10	\$ 33,990.28	\$ 23,227.70	\$ 26,290.95	\$ 1,336.97	\$ 27,627.92
592.00 Maint. of Structures	65,293.17	73,849.53	51,162.07	57,909.28	2,944.86	60,854.14
593.00 Maint. of Overhead Lines	315,161.12	356,461.47	248,029.30	280,739.18	14,276.43	295,015.61
594.00 Maint. of Underground Lines	139,879.35	158,209.86	110,389.27	124,947.31	6,353.94	131,301.25
595.00 Maint. of Line Transformers	27,801.03	31,444.22	22,260.47	25,196.16	1,281.30	26,477.46
596.00 Maint. of Street Lights	15,059.77	17,033.28	11,885.50	13,452.95	684.12	14,137.07
597.00 Maint. of Meters	103,601.99	117,178.53	80,423.90	91,030.13	4,629.15	95,659.28
598.00 Maint. of Misc. Distrib. Plant	38,986.06	44,095.00	30,501.74	34,524.28	1,755.66	36,279.94
Total	\$ 735,834.59	\$ 832,262.17	\$ 577,879.95	\$ 654,090.23	\$ 33,262.43	\$ 687,352.66
Consumer Accounting						
901.00 Supervision	\$ 7,471.98	\$ 8,451.15	\$ 5,754.02	\$ 6,512.85	\$ 331.20	\$ 6,844.05
902.00 Meter Reading	180,050.71	203,645.49	139,712.72	158,137.91	8,041.78	166,179.69
903.00 Customer Records	288,795.03	326,640.23	226,499.30	256,369.82	13,037.17	269,406.99
904.00 Uncollectibles	0.00	0.00	0.00	0.00	0.00	0.00
Total	\$ 476,317.72	\$ 538,736.86	\$ 371,966.04	\$ 421,020.58	\$ 21,410.15	\$ 442,430.73
Customer Service						
907.00 Supervision	\$ 121.27	\$ 137.16	\$ 96.84	\$ 109.61	\$ 5.57	\$ 115.18
908.00 Customer Assistance	60,761.79	68,724.33	47,559.16	53,831.22	2,737.48	56,568.70
909.00 Info. & Instruct. Advertising	12,532.66	14,175.00	9,783.91	11,074.20	563.16	11,637.36
910.00 Miscellaneous	1,436.27	1,624.49	1,128.24	1,277.03	64.94	1,341.97
Total	\$ 74,851.99	\$ 84,660.98	\$ 58,568.15	\$ 66,292.06	\$ 3,371.15	\$ 69,663.21
Sales						
912.00 Demonstration & Selling	\$	\$	\$	\$	\$ 0.00	\$ 0.00
913.00 Advertising	\$	\$	\$	\$	\$ 0.00	\$ 0.00
Total	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Administrative & General						
920.00 Salaries	\$ 671,327.05	\$ 759,301.22	\$ 554,106.01	\$ 627,181.00	\$ 31,894.03	\$ 659,075.03
921.00 Office Supplies & Expenses	21,287.19	24,076.77	19,560.00	22,139.55	1,125.86	23,265.41
923.00 Outside Services	0.00	0.00	0.00	0.00	0.00	0.00
924.00 Property Insurance	0.00	0.00	0.00	0.00	0.00	0.00
925.00 Injuries & Damages	49,398.04	55,871.41	41,540.56	47,018.89	2,391.05	49,409.94
926.00 Pensions & Benefits	55,720.28	63,022.15	55,720.28	63,068.62	3,207.23	66,275.85
928.00 Regulatory Commission	0.00	0.00	0.00	0.00	0.00	0.00
930.00 Miscellaneous	203,929.04	230,652.96	160,036.76	181,142.26	9,211.62	190,353.88
932.00 Maint. of General Plant	111,402.63	126,001.41	85,754.03	97,063.19	4,935.95	101,999.14
Total	\$ 1,113,064.23	\$ 1,258,925.93	\$ 916,717.64	\$ 1,037,613.52	\$ 52,765.74	\$ 1,090,379.26
Total O&M Expense	\$ 3,305,214.08	\$ 3,738,346.45	\$ 2,629,310.21	\$ 2,976,061.23	\$ 151,341.60	\$ 3,127,402.83

Supporting Schedules:

C-2.1

GARKANE ENERGY COOPERATIVE, INC.

PAYROLL TAXES EXPENSED - ADJUSTMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	Test Year 12/31/2013	Adjustment	Adjusted Test Year
Power Generation			
536.00 Water Power Rights & FERC License	\$ 640.54	\$ 14.94	\$ 655.48
538.00 Electric Expense	0.00	0.00	0.00
539.00 Hydraulic Power Generation	0.00	0.00	0.00
543.00 Maint. of Reservoirs, Dams & Waterways	873.13	20.36	893.49
544.00 Maint. of Electric Plant	2,112.74	49.27	2,162.01
548.00 Generation Expenses	720.88	16.81	737.69
549.00 Misc. Other Gen Expense	0.00	0.00	0.00
553.00 Maint. of Generating & Electric Equip	443.90	10.35	454.25
Total	\$ 4,791.19	\$ 111.73	\$ 4,902.92
Purchased Power			
555.00 Purchased Power	\$ 0.00	\$ 0.00	\$ 0.00
556.10 PP - Greenway Program	0.00	0.00	0.00
556.00 Load Dispatching	3,079.05	71.80	3,150.85
557.00 Other Expenses	0.00	0.00	0.00
Total	\$ 3,079.05	\$ 71.80	\$ 3,150.85
Transmission O&M			
561.00 Load Dispatching	\$ 2,686.88	\$ 62.66	\$ 2,749.54
562.00 Station Expenses	707.67	16.50	724.17
563.00 Overhead Line	719.78	16.78	736.56
566.00 Miscellaneous	137.21	3.20	140.41
570.00 Maint. of Station Equipment	5,400.17	125.93	5,526.10
571.00 Maint. of Overhead Lines	2,225.74	51.90	2,277.64
Total	\$ 11,877.45	\$ 276.97	\$ 12,154.42
Distribution-Operations			
580.00 Supervision & Engineering	\$ 2,384.59	\$ 55.61	\$ 2,440.20
581.00 Load Dispatching	30.82	0.72	31.54
582.00 Station Expenses	21.28	0.50	21.78
583.00 Overhead Line	7,062.78	164.70	7,227.48
584.00 Underground Line	608.99	14.20	623.19
585.00 Street Lighting & Signal System	558.73	13.03	571.76
586.00 Meter Expense	18,489.35	431.15	18,920.50
587.00 Consumer Installation Expense	529.01	12.34	541.35
588.00 Miscellaneous	19,373.48	451.77	19,825.25
589.00 Rents	26.05	0.61	26.66
Total	\$ 49,085.08	\$ 1,144.63	\$ 50,229.71

GARKANE ENERGY COOPERATIVE, INC.

PAYROLL TAXES EXPENSED - ADJUSTMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	Test Year 12/31/2013	Adjustment	Adjusted Test Year
<u>Distribution-Maintenance</u>			
592.00 Supervision & Engineering	\$ 2,270.49	\$ 52.95	2,323.44
591.00 Maint. of Structures	5,001.03	116.62	5,117.65
593.00 Maint. of Overhead Lines	24,244.65	565.36	24,810.01
594.00 Maint. of Underground Lines	10,790.44	251.62	11,042.06
595.00 Maint. of Line Transformers	2,175.84	50.74	2,226.58
596.00 Maint. of Street Lights	1,161.84	27.09	1,188.93
597.00 Maint. of Meters	7,861.43	183.32	8,044.75
598.00 Maint. of Misc. Distrib. Plant	2,981.47	69.52	3,050.99
Total	\$ 56,487.19	\$ 1,317.22	\$ 57,804.41
<u>Consumer Accounting</u>			
901.00 Supervision	\$ 562.40	\$ 13.11	575.51
902.00 Meter Reading	13,656.71	318.46	13,975.17
903.00 Customer Records	22,139.97	516.28	22,656.25
904.00 Uncollectibles	0.00	0.00	0.00
Total	\$ 36,359.08	\$ 847.85	\$ 37,206.93
<u>Customer Service</u>			
907.00 Supervision	\$ 9.54	\$ 0.22	9.76
908.00 Customer Assistance	4,648.84	108.41	4,757.25
909.00 Info. & Instruct. Advertising	956.40	22.30	978.70
910.00 Miscellaneous	110.42	2.57	112.99
Total	\$ 5,725.20	\$ 133.50	\$ 5,858.70
<u>Sales</u>			
911.00 Supervision	\$ 0.00	\$ 0.00	0.00
912.00 Demonstration & Selling	0.00	0.00	0.00
Total	\$ 0.00	\$ 0.00	0.00
<u>Administrative & General</u>			
920.00 Salaries	\$ 54,163.14	\$ 1,263.03	55,426.17
921.00 Office Supplies & Expenses	1,912.07	44.59	1,956.66
923.00 Outside Services	0.00	0.00	0.00
924.00 Property Insurance	0.00	0.00	0.00
925.00 Injuries & Damages	4,060.40	94.68	4,155.08
927.00 Franchise Requirements	5,446.76	127.01	5,573.77
928.00 Regulatory Commission	0.00	0.00	0.00
930.00 Miscellaneous	15,643.26	364.79	16,008.05
932.00 Maint. of General Plant	8,382.37	195.47	8,577.84
Total	\$ 89,608.00	\$ 2,089.57	\$ 91,697.57
Total O&M Expense	\$ 257,012.24	\$ 5,993.27	\$ 263,005.51

GARKANE ENERGY COOPERATIVE, INC.

REVENUE ADJUSTMENT

Adjusted Test Year Revenue

Base Revenue	\$ 22,288,143
PCA Revenue	335,951
Other	979,194
Total	<u>\$ 23,603,288</u>

Test Year Revenue

Base Revenue	\$ 22,514,371
PCA Revenue	232,604
Other	979,194
Total	<u>\$ 23,726,169</u>

Adjustment

Base Revenue	\$ (226,228)
PCA Revenue	103,347
Other	0
Total	<u>\$ (122,881)</u>

Supporting Schedules:
E-7.5, E-7.5.3, C-2.6.1

Recap Schedules:
A-2.0, C-1.0, C-2.0

GARKANE ENERGY COOPERATIVE, INC.

OTHER REVENUE
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

450.00	Forfeited Discount	\$	36,823.16
451.00	Misc Service Charge Revenue		68,237.00
454.00	Rent from Electric Property		52,795.20
456.00	Other Electric Revenues		127,933.86
456.01	Electric Revenue from Wheeling Ch		693,405.41
	Total	\$	<u>979,194.63</u>

Recap Schedule:
C-2.6

GARKANE ENERGY COOPERATIVE, INC.

OTHER REVENUE ADJUSTMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

<u>Change in Arizona Connect Fee</u>	
Number of occurrences in the test year	362
Existing Charge	\$ 30.00
Proposed Charge	\$ 50.00
Change	\$ 20.00
Increase in Arizona Connect Fee Revenue	\$ 7,240

GARKANE ENERGY COOPERATIVE, INC.

PURCHASED POWER ADJUSTMENT

Adjusted Purchased Power	\$ 8,779,630.46
Test Year Amount	<u>7,988,628.58</u>
Adjustment	<u><u>\$ 791,001.88</u></u>

Supporting Schedules:
E-7.7, E-7.8

Recap Schedule:
A-2.0, C-1.0, C-2.0, C-2.1

GARKANE ENERGY COOPERATIVE, INC.

PAYROLL ADJUSTMENT

Adjusted Test Year Payroll	\$ 4,565,617.52
PTO Sellback	81,088.47
Managemnet Bonuses	31,715.90
Christmas Bonuses	30,000.00
Health Insurance	53,506.20
Overtime Wages	208,078.86
Adjusted Total Wages	\$ 4,970,006.94
x Payroll Expensed Ratio	62.926%
Adjusted Payroll Expensed	\$ 3,127,402.83
Test Year Payroll Expensed	2,976,061.23
Adjustment	\$ 151,341.60
Overtime Ratio - Average	4.5575%
Fulltime Employees	60
Parttime Employees	8
Total	68

Supporting Schedule:
C-2.6.1Recap Schedule:
C-2.0, C-2.2

Schedule C-2.6

GARKANE ENERGY COOPERATIVE, INC.

HISTORICAL PAYROLL

	2009	2010	2011	2012	Test Year 12/31/2013	Average 2009 - 2013
Payroll Expensed	\$ 2,473,275	\$ 2,759,617	\$ 2,897,508	\$ 3,815,689	\$ 3,738,346	\$ 3,136,887
Payroll Capitalized	1,028,100	1,009,096	1,099,700	1,310,135	1,605,020	1,210,410
Payroll Other	555,768	606,693	658,381	679,263	688,804	637,782
Total Payroll	\$ 4,057,143	\$ 4,375,406	\$ 4,655,589	\$ 5,805,087	\$ 6,032,170	\$ 4,985,079
% Payroll Expensed	60.961%	63.071%	62.237%	65.730%	61.973%	62.926%
% Payroll Capitalized	25.340%	23.063%	23.621%	22.569%	26.608%	24.281%
% Payroll Other	13.699%	13.866%	14.142%	11.701%	11.419%	12.794%
% Total	100.000%	100.000%	100.000%	100.000%	100.000%	100.000%
Regular Payroll	\$ 3,947,852	\$ 4,057,506	\$ 4,367,639	\$ 5,635,677	\$ 5,830,257	\$ 4,767,786
Overtime Payroll	109,291	317,900	287,950	169,410	201,913	217,293
Total Payroll	\$ 4,057,143	\$ 4,375,406	\$ 4,655,589	\$ 5,805,087	\$ 6,032,170	\$ 4,985,079
Overtime Payroll as % of Regular	2.768%	7.835%	6.593%	3.006%	3.463%	4.558%
Full Time Employees	63	61	62	62	60	62
Employee Hrs Worked-Regular	131,720	130,331	117,072	113,453	119,087	122,333
Employee Hrs Worked-Overtime	2,609	6,255	4,991	2,773	3,194	3,964
Overtime Hrs as % Reg. Hrs	1.98%	4.80%	4.26%	2.44%	2.68%	3.24%

Recap Schedule:
C-2.9

GARKANE ENERGY COOPERATIVE, INC.

**EXPENSED RATIOS FOR PAYROLL AND PAYROLL TAXES
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013**

	Payroll	Payroll Taxes
Expensed	\$ 3,738,346.00	\$ 257,012.24
Capitalized	1,605,020.00	109,847.65
Other	688,804.00	0.00
Total Payroll	<u>\$ 6,032,170.00</u>	<u>\$ 366,859.89</u>

% Expensed	61.973%	70.057%
% Capitalized	26.608%	29.943%
% Other	11.419%	0.000%
% Total	<u>100.000%</u>	<u>100.000%</u>

Benefits & Payroll Tax Difference From Payroll Ratios:

% Expensed	8.0838%
% Capitalized	3.3350%
% Other	-11.4188%
% Total	<u>0.0000%</u>

Estimated Historical Average Benefits & Payroll Tax Ratios:

% Expensed	62.9255%	71.0094%
% Capitalized	24.2807%	27.6157%
% Other	12.7938%	1.3750%
% Total	<u>100.0000%</u>	<u>100.0000%</u>

GARKANE ENERGY COOPERATIVE, INC.

EMPLOYEE BENEFITS ADJUSTMENT

<u>Adjusted Employee Benefits</u>	
Medical	\$ 823,604.20
Dental	96,337.44
Life Insurance	51,598.08
Long-Term Disability	32,066.04
Defined Benefit Pension Plan	1,202,476.11
Total	<u>\$ 2,206,081.87</u>
<u>Test Year Expense</u>	
Medical	\$ 711,320.40
Dental	105,381.72
Life Insurance	52,309.28
Long-Term Disability	26,881.63
Defined Benefit Pension Plan	991,223.20
Total	<u>\$ 1,887,116.23</u>
Adjustment	<u>\$ 318,965.64</u>

GARKANE ENERGY COOPERATIVE, INC.**EMPLOYEE BENEFITS ADJUSTMENT****MEDICAL**

Monthly Premium for Single Coverage	\$	404.10
x Number of Employees with Single Coverage		1
Monthly Premium	\$	<u>404.10</u>
Monthly Premium for Employee + Spouse Coverage	\$	791.50
x Number of Employees with Family Coverage		8
Monthly Premium	\$	<u>6,332.00</u>
Monthly Premium for Family Coverage	\$	1,110.50
x Number of Employees with Family Coverage		45
Monthly Premium	\$	<u>49,972.50</u>
Total Monthly Premium Contribution	\$	56,708.60
x Number of Months		12
Adjusted Annual Premium	\$	<u>680,503.20</u>
<u>Health Savings Account</u>		
Family Contribution		2,700.00
x Number of Employees with Family Coverage		53
Annual Contribution	\$	<u>143,100.00</u>
Employee Only Contribution		1,350.00
x Number of Employees with Family Coverage		1
Annual Contribution	\$	<u>1,350.00</u>
Grand Total	\$	<u><u>823,604</u></u>

Recap Schedules:
C-2.0, C-2.3

GARKANE ENERGY COOPERATIVE, INC.

EMPLOYEE BENEFITS ADJUSTMENT

DENTAL INSURANCE

Monthly Premium for Single Coverage	\$	44.13
x Number of Employees with Single Coverage		1
Monthly Premium	\$	<u>44.13</u>
Monthly Premium for Family Coverage	\$	140.07
x Number of Employees with Family Coverage		57
Monthly Premium	\$	<u>7,983.99</u>
Total Monthly Premium Contribution	\$	8,028.12
x Number of Months		12
Adjusted Annual Premium	\$	<u><u>96,337.44</u></u>

Recap Schedules:
C-2.0, C-2.3

GARKANE ENERGY COOPERATIVE, INC.

EMPLOYEE BENEFITS ADJUSTMENT

LIFE INSURANCE

Fulltime Base Wages to Next \$1,000 x Coverage	\$ 4,479,000.00
Total Coverage	5
x Monthly Premium Rate	\$ 22,395,000.00
Monthly Premium	0.019%
x 12 Months	\$ 4,299.84
Adjusted Annual Premium	12
	\$ 51,598.08

Recap Schedules:
C-2.0, C-2.3

GARKANE ENERGY COOPERATIVE, INC.

EMPLOYEE BENEFITS ADJUSTMENT

LONG-TERM DISABILITY

Adjusted Base Wages	\$	4,453,615.20
x Monthly Premium Rate		0.060%
Monthly Premium	\$	2,672.17
x 12 Months		12
Adjusted Annual Premium	\$	<u>32,066.04</u>

Recap Schedules:
C-2.0, C-2.3

GARKANE ENERGY COOPERATIVE, INC.

EMPLOYEE BENEFITS ADJUSTMENT

DEFINED BENEFIT PENSION PLAN

Adjusted Base Wages	\$ 4,453,615.20
x Annual Contribution Rate	27.000%
Adjusted Annual Contribution	<u>\$ 1,202,476.11</u>

Recap Schedules:
C-2.0, C-2.3

GARKANE ENERGY COOPERATIVE, INC.

EMPLOYEE BENEFITS ADJUSTMENT

<u>Adjusted Employee Benefits</u>	
Medical	\$ 823,604.20
Dental	96,337.44
Life Insurance	51,598.08
Long-Term Disability	32,066.04
Defined Benefit Pension Plan	1,202,476.11
Total	<u>\$ 2,206,081.87</u>
<u>Test Year Expense</u>	
Medical	\$ 711,320.40
Dental	105,381.72
Life Insurance	52,309.28
Long-Term Disability	26,881.63
Defined Benefit Pension Plan	991,223.20
Total	<u>\$ 1,887,116.23</u>
Adjustment	<u>\$ 318,965.64</u>

GARKANE ENERGY COOPERATIVE, INC.**EMPLOYEE BENEFITS ADJUSTMENT****MEDICAL**

Monthly Premium for Single Coverage	\$	404.10
x Number of Employees with Single Coverage		1
Monthly Premium	\$	404.10
Monthly Premium for Employee + Spouse Coverage	\$	791.50
x Number of Employees with Family Coverage		8
Monthly Premium	\$	6,332.00
Monthly Premium for Family Coverage	\$	1,110.50
x Number of Employees with Family Coverage		45
Monthly Premium	\$	49,972.50
Total Monthly Premium Contribution	\$	56,708.60
x Number of Months		12
Adjusted Annual Premium	\$	680,503.20
<u>Health Savings Account</u>		
Family Contribution		2,700.00
x Number of Employees with Family Coverage		53
Annual Contribution	\$	143,100.00
Employee Only Contribution		1,350.00
x Number of Employees with Family Coverage		1
Annual Contribution	\$	1,350.00
Grand Total	\$	823,604

Recap Schedules:
C-2.0, C-2.3

GARKANE ENERGY COOPERATIVE, INC.

EMPLOYEE BENEFITS ADJUSTMENT

DENTAL INSURANCE

Monthly Premium for Single Coverage	\$	44.13
x Number of Employees with Single Coverage		1
Monthly Premium	\$	<u>44.13</u>
Monthly Premium for Family Coverage	\$	140.07
x Number of Employees with Family Coverage		57
Monthly Premium	\$	<u>7,983.99</u>
Total Monthly Premium Contribution	\$	8,028.12
x Number of Months		12
Adjusted Annual Premium	\$	<u><u>96,337.44</u></u>

GARKANE ENERGY COOPERATIVE, INC.

EMPLOYEE BENEFITS ADJUSTMENT

LIFE INSURANCE

Fulltime Base Wages to Next \$1,000 x Coverage	\$ 4,479,000.00
Total Coverage	5
x Monthly Premium Rate	\$ 22,395,000.00
Monthly Premium	0.019%
x 12 Months	\$ 4,299.84
Adjusted Annual Premium	12
	\$ 51,598.08

Recap Schedules:
C-2.0, C-2.3

GARKANE ENERGY COOPERATIVE, INC.

EMPLOYEE BENEFITS ADJUSTMENT

LONG-TERM DISABILITY

Adjusted Base Wages	\$	4,453,615.20
x Monthly Premium Rate		0.060%
Monthly Premium	\$	2,672.17
x 12 Months		12
Adjusted Annual Premium	\$	<u>32,066.04</u>

GARKANE ENERGY COOPERATIVE, INC.

EMPLOYEE BENEFITS ADJUSTMENT

DEFINED BENEFIT PENSION PLAN

Adjusted Base Wages	\$ 4,453,615.20
x Annual Contribution Rate	27.000%
Adjusted Annual Contribution	<u>\$ 1,202,476.11</u>

Recap Schedules:
C-2.0, C-2.3

GARKANE ENERGY COOPERATIVE, INC.

RATE CASE EXPENSE ADJUSTMENT

Rate Case Expense	\$ 75,000.00
Number of Years to Amortize	<u>3</u>
Annual Expense	\$ 25,000.00
Test Year Amount	<u>0.00</u>
Adjustment	<u>\$ 25,000.00</u>

Recap Schedules:
C-2.0, C-2.1

GARKANE ENERGY COOPERATIVE, INC.

DEPRECIATION EXPENSE ADJUSTMENT

	Plant Balance	Depreciation Rate	Depreciation Balance
Production Plant			
330.00 Land and Land Rights	\$ 328,300.09	0.00%	\$ 0.00
331.00 Structures & Improvements	370,915.53	2.00%	7,418.31
331.00 Structures & Improvements	94,547.43	0.00%	0.00
331.00 Structures & Improvements	3,075.00	8.38%	257.69
331.00 Structures & Improvements	6,780.86	10.82%	733.69
331.00 Structures & Improvements	20,487.50	5.00%	1,024.38
331.00 Structures & Improvements	3,800.00	3.31%	125.78
331.00 Structures & Improvements	10,522.80	3.41%	358.83
332.00 Reservoirs, Dams & Waterways	3,054,529.24	2.00%	61,090.58
332.00 Water Wheels, Turbines & Generators	1,060.99	0.00%	0.00
332.00 Accessory Electric Equip	166,671.25	6.66%	11,100.31
333.00 Water Wheels, Turbines & Generators	956,932.63	2.75%	26,315.65
333.00 Water Wheels, Turbines & Generators	407,106.38	0.00%	0.00
334.00 Accessory Electric Equip	230,085.00	2.00%	4,601.70
335.00 Misc. PP Equip	24,649.39	2.00%	492.99
335.00 Misc. PP Equip	8,923.16	0.00%	0.00
335.00 Misc. PP Equip	2,406.13	5.00%	120.31
336.01 Accessory Electric Equip	32,921.05	0.00%	0.00
336.01 Accessory Electric Equip	115,020.30	2.00%	2,300.41
344.00 Generators	902,455.53	5.00%	45,122.78
345.00 Accessory Electric Equip - Other	202,907.52	0.00%	0.00
345.00 Accessory Electric Equip - Other	48,265.80	3.33%	1,607.25
345.00 Accessory Electric Equip - Other	20,887.80	5.00%	1,044.39
Total	\$ 7,013,251.38		\$ 163,715.05
Transmission Plant			
350.00 Land and Land Rights	2,336,075.06	0.00%	\$ 0.00
351.00 Clearing Land & ROW	26,117.44	0.00%	0.00
352.00 Structures & Improvements	41,920.05	2.75%	1,152.80
353.00 Station Equipment	114,397.68	0.00%	0.00
353.00 Station Equipment	2,975,555.95	2.75%	81,827.79
354.00 Tower and Fixtures	35,371.27	0.00%	0.00
355.00 Poles and Fixtures	277,088.95	0.00%	0.00
355.00 Poles and Fixtures	8,326,117.31	2.75%	228,968.23
356.00 OH Conductors	283,192.01	0.00%	0.00
356.00 OH Conductors	5,662,522.64	2.75%	155,719.37
359.00 Roads and Trails	23,982.75	0.00%	0.00
Total	\$ 20,102,341.11		\$ 467,668.19

GARKANE ENERGY COOPERATIVE, INC.
DEPRECIATION EXPENSE ADJUSTMENT

	Plant Balance	Depreciation Rate	Depreciation
Distribution Plant			
360.00 Land and Land Rights	\$ 639,349.82	\$ 0.00%	\$ 0.00
362.00 Substation Equipment	14,243,127.30	3.00%	427,293.82
362.00 Substation Equipment	10,931.93	0.00%	0.00
364.00 Poles, Towers & Fixtures	10,099,672.95	3.50%	353,488.55
365.00 Conductors & Devices	11,211,353.07	2.50%	280,283.83
366.00 Underground Conduit	157,470.99	2.00%	3,149.42
367.00 Underground Conductors	3,413,752.11	2.60%	88,757.55
368.00 Transformers	10,985,556.04	2.80%	307,596.57
369.00 Services	3,129,009.01	3.30%	103,257.30
370.00 Meters	2,337,856.19	3.10%	72,473.54
371.00 Installations on Cons. Premises	121,535.71	4.10%	4,982.96
373.00 Street Lighting & Signal System	8,104.71	0.00%	0.00
373.00 Street Lighting & Signal System	99,574.10	4.10%	4,082.54
Total	\$ 56,457,293.93		\$ 1,645,365.08
General Plant			
389.00 Land and Land Rights	\$ 663,588.93		\$
390.00 Structures & Improvements	3,555,849.98		
391.00 Office Furniture & Equipment	949,712.27		
392.00 Transportation	2,703,000.26		
394.00 Tools, Shop & Garage	81,422.40		
395.00 Laboratory Equipment	482,947.44		
396.00 Power Operated Equipment	4,366,643.27		
397.00 Communications Equipment	552,653.55		
398.00 Miscellaneous	588,033.46		
Total	\$ 13,943,851.56		\$ 594,513.60
Total Classified Plant	\$ 97,516,737.98		\$ 2,871,261.92
Test Year Amount			2,821,804.28
Adjustment			\$ 49,457.64

Supporting Schedule:
E-5.0, E-9.0

Recap Schedule:
C-2.1

GARKANE ENERGY COOPERATIVE, INC.

PROPERTY TAX ADJUSTMENT

Adjusted Test Year Property Tax (2014 Actual)	603,933.00
Test Year Expensed Property Tax	566,006.74
Adjustment	<u>\$ 37,926.26</u>

Supporting Schedules:
E-1.0, C-2.1

Recap Schedule:
C-2.1

GARKANE ENERGY COOPERATIVE, INC.

PAYROLL TAXES ADJUSTMENT

Adjusted Payroll Taxes

FICA	\$	365,641.49
Federal Unemployment Taxes		3,808.00
State Unemployment Taxes		5,965.21
Total	\$	375,414.70
x Expensed Ratio		70.057%
Adjusted Payroll Taxes Expensed	\$	263,005.51
Test Year Amount		257,012.24
Adjustment	\$	5,993.27

GARKANE ENERGY COOPERATIVE, INC.

FICA TAXES

Adjusted Base Wages Subject to FICA	\$	4,527,024.13
Overtime Payroll		208,078.86
Total Adjusted FICA Wages	\$	4,735,102.99
x Employer's FICA Tax Rate		6.200000%
Adjusted FICA Tax	\$	293,576.39
Adjusted Base Wages Subject to Medicare	\$	4,970,006.94
x Employer's MICA Tax Rate		1.450000%
Adjusted MICA Tax	\$	72,065.10
Adjusted FICA & Medicare Taxes	\$	365,641.49

Supporting Schedule:
C-2.6.2

Recap Schedule:
C-2.4

GARKANE ENERGY COOPERATIVE, INC.

FEDERAL UNEMPLOYMENT TAXES

Adjusted Base Wages Subject to Tax	\$	476,000.00
x Federal Unemployment Tax Rate		<u>0.80000000%</u>
Adjusted Federal Unemployment Tax	\$	<u><u>3,808.00</u></u>
Base Wages Per Employee Subject to Tax:	\$	<u><u>7,000.00</u></u>

GARKANE ENERGY COOPERATIVE, INC.

STATE UNEMPLOYMENT TAXES

Adjusted Base Wages Subject to Tax	\$ 1,988,404.71
x State Unemployment Tax Rate	<u>0.30000000%</u>
Adjusted State Unemployment Tax	<u>\$ 5,965.21</u>
Base Wages Per Employee Subject to Tax:	<u>\$ 31,300.00</u>

Supporting Schedule:
C-2.6.2

Recap Schedule:
C-2.4

GARKANE ENERGY COOPERATIVE, INC.

DONATIONS - OTHER DEDUCTIONS ADJUSTMENT

Adjusted Test Year	\$	0.00
Test Year		27,209.00
Adjustment	\$	<u>(27,209.00)</u>

Test Year Detail

426.10 Donations	\$	14,800.00
426.10 Track and Field		250.00
426.10 Kiwanis		50.00
426.10 Boulder Heritage Festival		200.00
426.10 Youth Program		500.00
426.10 Baseball Team Sponsorship		75.00
426.10 Youth Service - Moore, OK		200.00
426.10 Youth Program		250.00
426.10 Rodeo Donation		100.00
426.10 Sevier Rodeo Sponsorship		50.00
426.10 Fundraiser Dinner		150.00
426.10 Scholarship of Excellence		150.00
426.10 Fundraiser Donation		150.00
426.10 Toys for Tots		50.00
426.10 Women's Forum		100.00
426.10 School Donation		150.00
426.10 Kanab High School		50.00
426.11 Scholarships		9,934.00
Total		<u>27,209.00</u>

Recap Schedule:
C-2.0, C-2.1

GARKANE ENERGY COOPERATIVE, INC.

INTEREST EXPENSE ADJUSTMENT

Adjusted Expense	\$	1,442,214
Test Year Amount		1,330,259
Adjustment	\$	<u>111,955</u>

Supporting Schedule:
D-2.0

Recap Schedules:
A-2.0, C-1.0, C-2.0

GARKANE ENERGY COOPERATIVE, INC.

**COST OF DEBT
INCLUDES PRO FORMA ADJUSTMENT TO INTEREST EXPENSE**

	<u>Principal Outstanding</u>	<u>Interest Rate</u>	<u>Interest</u>
UT0069008001	\$ 173,270.17	3.200%	\$ 5,545
UT0069009001	1,087,482.04	4.400%	47,849
UT00690010001	645,594.45	3.400%	21,950
UT00690013001	2,061,919.60	3.400%	70,105
UT00690014001	1,744,411.67	3.400%	59,310
UT00690014002	151,115.53	3.400%	5,138
UT00690015001	926,315.68	4.650%	43,074
UT00690015003	783,710.70	4.650%	36,443
UT00690015004	792,316.76	4.650%	36,843
UT00690015005	715,482.18	4.650%	33,270
UT00690016001	706,676.17	6.110%	43,178
UT00690016002	706,676.17	6.110%	43,178
UT00690016003	706,676.17	6.110%	43,178
UT00690018001	549,104.98	6.110%	33,550
UT00690018002	549,104.98	6.110%	33,550
UT00690018003	550,851.22	6.110%	33,657
UT00690018004	507,710.89	6.110%	31,021
UT00690018005	1,748,103.35	5.950%	104,012
UT00690018007	883,708.54	5.000%	44,185
UT00690018008	773,109.28	4.800%	37,109
UT00690018009	781,512.64	3.950%	30,870
UT00690018010	789,916.00	3.400%	26,857
UT00690018011	1,144,588.25	3.300%	37,771
UT00690019001	806,722.72	3.950%	31,866
UT00690019002	806,722.72	3.950%	31,866
UT00690019003	1,616,666.59	5.100%	82,450
UT00690019004	1,647,058.88	3.650%	60,118
UT00690019005	1,647,058.88	3.650%	60,118

GARKANE ENERGY COOPERATIVE, INC.

COST OF DEBT
INCLUDES PRO FORMA ADJUSTMENT TO INTEREST EXPENSE

	Principal Outstanding	Interest Rate	Interest
UT00690019006	1,697,479.04	3.650%	61,958
UT00690019007	857,142.88	5.050%	43,286
UT00690019008	1,815,126.08	4.950%	89,849
UT00690019009	957,983.20	3.400%	32,571
UT00690019010	991,596.64	3.600%	35,697
UT00690019011	1,000,000.00	4.850%	48,500
Additional Draw (6/3/2014)	1,000,000.00	5.300%	53,000
Additional Draw (9/5/2014)	1,000,000.00	5.000%	50,000
Performance Discount		-0.125%	(40,131)
Collateral Discount		-0.250%	(80,812)
Volume Discount		-0.061%	(19,765)
Total CFC	\$ 35,322,915.05		\$ 1,442,214
Test Year Amount Adjustment			1,330,259
			\$ 111,955
Average Cost of Debt			4.083%

GARKANE ENERGY COOPERATIVE, INC.

WEIGHTED INTEREST RATE
AS OF DECEMBER 31, 2013

	Principal Outstanding	% of Total	Interest Rate	Weighted Interest Rate
\$	173,270.17	0.520%	3.200%	0.017%
UT00690008001	1,087,482.04	3.263%	4.400%	0.144%
UT00690009001	645,594.45	1.937%	3.400%	0.066%
UT00690010001	2,061,919.60	6.188%	3.400%	0.210%
UT00690013001	1,744,411.67	5.235%	3.400%	0.178%
UT00690014001	151,115.53	0.453%	3.400%	0.015%
UT00690014002	926,315.68	2.780%	4.650%	0.129%
UT00690015001	783,710.70	2.352%	4.650%	0.109%
UT00690015003	792,316.76	2.378%	4.650%	0.111%
UT00690015004	715,482.18	2.147%	4.650%	0.100%
UT00690015005	706,676.17	2.121%	6.110%	0.130%
UT00690016001	706,676.17	2.121%	6.110%	0.130%
UT00690016002	706,676.17	2.121%	6.110%	0.101%
UT00690016003	549,104.98	1.648%	6.110%	0.101%
UT00690018001	549,104.98	1.648%	6.110%	0.101%
UT00690018002	550,851.22	1.653%	6.110%	0.101%
UT00690018003	507,710.89	1.524%	5.950%	0.093%
UT00690018004	1,748,103.35	5.246%	5.950%	0.312%
UT00690018005	883,708.54	2.652%	5.000%	0.133%
UT00690018007	773,109.28	2.320%	4.800%	0.111%
UT00690018008	781,512.64	2.345%	3.950%	0.093%
UT00690018009	789,916.00	2.370%	3.400%	0.081%
UT00690018010	1,144,588.25	3.435%	3.300%	0.113%
UT00690018011	806,722.72	2.421%	3.950%	0.096%
UT00690019001	806,722.72	2.421%	3.950%	0.096%
UT00690019002	1,616,666.59	4.852%	5.450%	0.264%
UT00690019003	1,647,058.88	4.943%	3.650%	0.180%
UT00690019004	1,647,058.88	4.943%	3.650%	0.180%
UT00690019005	1,647,058.88	4.943%	3.650%	0.180%
UT00690019006	1,697,479.04	5.094%	3.650%	0.186%
UT00690019007	857,142.88	2.572%	5.550%	0.143%
UT00690019008	1,815,126.08	5.447%	4.950%	0.270%
UT00690019009	967,983.20	2.875%	3.400%	0.098%
UT00690019010	991,596.64	2.976%	3.600%	0.107%
UT00690019011	1,000,000.00	3.001%	4.850%	0.146%
Total CFC	\$ 33,322,915.05	100.000%		4.471%

GARKANE ENERGY COOPERATIVE, INC.

COMPARATIVE BALANCE SHEET
AS OF DECEMBER 31, 2013

	Balance 12/31/2013	Balance 12/31/2012	Balance 12/31/2011
Assets and Other Debits			
Total Utility Plant in Service	\$ 97,516,738	\$ 93,949,823	\$ 86,437,251
Construction Work in Progress	4,906,869	1,789,535	6,210,395
Total Utility Plant	\$ 102,423,607	\$ 95,739,358	\$ 92,647,646
Accumulated Depreciation	(37,792,643)	(35,046,296)	(33,091,923)
Net Utility Plant	\$ 64,630,964	\$ 60,693,062	\$ 59,555,723
Non-Utility Property-Net	\$ 0	\$ 0	\$ 0
Investment in Subsidiary Companies	2,491,949	2,283,475	2,192,670
Invest in Assoc Organ-Patronage Capital	679,873	622,440	563,710
Invest in Assoc Organ-Other-Gen Funds	0	0	1,092,016
Invest in Assoc Organ-Other-Nongen Funds	1,078,407	1,085,604	0
Other Investments	0	0	0
Special Funds	315,379	330,873	330,167
Total Other Property and Investments	\$ 4,565,608	\$ 4,322,392	\$ 4,178,563
Cash-General Funds	\$ 1,574,041	\$ 2,707,420	\$ 1,483,245
Cash-Construction Funds-Trustee	0	0	0
Special Deposits	0	0	0
Temporary Investments	0	0	0
Notes Receivable	0	0	78,876
Accounts Receivable-Sales of Energy (Net)	2,237,854	1,957,205	2,054,098
Accounts Receivable-Other (Net)	1,460,012	282,198	625,125
Materials & Supplies-Electric and Other	2,890,167	3,120,670	2,994,480
Prepayments	88,191	86,445	81,403
Other Current and Accrued Assets	6,346	6,346	6,346
Total Current and Accrued Assets	\$ 8,256,611	\$ 8,160,284	\$ 7,323,573
Deferred Debits	\$ 16,070	\$ 5,472	\$ 5,430
Total Assets and Other Debits	\$ 77,469,253	\$ 73,181,210	\$ 71,063,289
Liabilities and Other Credits			
Memberships	\$ 0	\$ 0	\$ 0
Patronage Capital	25,888,424	24,282,998	23,169,977
Operating Margins-Current Year	2,899,507	2,245,263	1,759,959
Non-Operating Margins	558,317	407,388	416,164
Other Margins and Equities	6,289,513	5,480,456	4,771,786
Total Margins and Equities	\$ 35,635,761	\$ 32,416,105	\$ 30,117,886
Long-Term Debt-CFC (Net)	\$ 31,791,158	\$ 31,331,318	\$ 31,819,427
Long-Term Debt-Other (Net)	0	0	0
Total Long-Term Debt	\$ 31,791,158	\$ 31,331,318	\$ 31,819,427
Accumulated Operating Provisions	\$ 1,732,448	\$ 1,614,658	\$ 1,516,872
Total Other Noncurrent Liabilities	\$ 1,732,448	\$ 1,614,658	\$ 1,516,872
Notes Payable	\$ 0	\$ 0	\$ 0
Accounts Payable	2,216,022	1,753,679	1,716,860
Consumers Deposits	692,000	667,665	603,694
Current Maturities Long-Term Debt	1,531,758	1,438,546	1,337,506
Other Current and Accrued Liabilities	1,743,421	1,810,373	1,700,619
Total Current and Accrued Liabilities	\$ 6,183,201	\$ 5,670,263	\$ 5,358,679
Deferred Credits	\$ 2,126,685	\$ 2,148,866	\$ 2,250,425
Total Liabilities and Other Credits	\$ 77,469,253	\$ 73,181,210	\$ 71,063,289

Supporting Schedules:

E-5.0

GARKANE ENERGY COOPERATIVE, INC.

RECLASSIFICATIONS TO TEST YEAR BALANCE SHEET
AS OF DECEMBER 31, 2013

	Balance 12/31/2013	Reclassify	Adjusted Balance		Balance 12/31/2013	Reclassify	Adjusted Balance
Assets and Other Debits				Liabilities and Other Credits			
Total Utility Plant in Service	\$ 97,516,738	\$	\$ 97,516,738	Memberships	\$ 0	\$	\$ 0
Construction Work in Progress	4,906,869		4,906,869	Patronage Capital	25,888,424		25,888,424
Total Utility Plant	\$ 102,423,607	\$ 0	\$ 102,423,607	Operating Margins-Current Year	2,899,507		2,899,507
Accumulated Depreciation	(37,792,643)		(37,792,643)	Non-Operating Margins	558,317		558,317
Net Utility Plant	\$ 64,630,964	\$ 0	\$ 64,630,964	Other Margins and Equities	6,289,513		6,289,513
				Total Margins and Equities	\$ 35,635,761	\$ 0	\$ 35,635,761
Non-Utility Property-Net	\$ 0	\$	\$ 0				
Investment in Subsidiary Companies	2,491,949		2,491,949	Long-Term Debt-RUS (Net)	\$ 31,791,158	\$ 1,531,758	\$ 33,322,916
Invest in Assoc Organ-Patronage Capital	679,873		679,873	Long-Term Debt-Other (Net)	0		0
Invest in Assoc Organ-Other-Gen Funds	0		0	Total Long-Term Debt	\$ 31,791,158	\$ 1,531,758	\$ 33,322,916
Invest in Assoc Organ-Other-Nongen Funds	1,078,407		1,078,407				
Other Investments	0		0	Accumulated Operating Provisions	\$ 1,732,448	\$	\$ 1,732,448
Special Funds	315,379		315,379	Total Other Noncurrent Liabilities	\$ 1,732,448	\$ 0	\$ 1,732,448
Total Other Property and Investments	\$ 4,565,608	\$ 0	\$ 4,565,608				
				Notes Payable	\$ 0	\$	\$ 0
Cash-General Funds	\$ 1,574,041	\$	\$ 1,574,041	Accounts Payable	2,216,022		2,216,022
Cash-Construction Funds-Trustee	0		0	Consumers Deposits	692,000		692,000
Special Deposits	0		0	Current Maturities Long-Term Debt	1,531,758	(1,531,758)	0
Temporary Investments	0		0	Other Current and Accrued Liabilities	1,743,421		1,743,421
Notes Receivable	0		0	Total Current and Accrued Liabilities	\$ 6,183,201	\$ (1,531,758)	\$ 4,651,443
Accounts Receivable-Sales of Energy (Net)	2,237,854		2,237,854				
Accounts Receivable-Other (Net)	1,460,012		1,460,012				
Materials & Supplies-Electric and Other	2,890,167		2,890,167				
Prepayments	88,191		88,191				
Other Current and Accrued Assets	6,346		6,346				
Total Current and Accrued Assets	\$ 8,256,611	\$ 0	\$ 8,256,611				
				Deferred Credits	\$ 2,126,685	\$	\$ 2,126,685
Deferred Debits	\$ 16,070	\$	\$ 16,070	Total Liabilities and Other Credits	\$ 77,469,253	\$ 0	\$ 77,469,253
Total Assets and Other Debits	\$ 77,469,253	\$ 0	\$ 77,469,253				

GARKANE ENERGY COOPERATIVE, INC.

**COMPARATIVE INCOME STATEMENT
DECEMBER 31, 2013**

	Test Year 12/31/2011 (a)	Test Year 12/31/2012 (a)	Test Year 12/31/2013 (a)
<u>Operating Revenues</u>			
Base Revenue	\$ 21,705,508	\$ 21,845,636	\$ 22,514,371
PPCA Revenue	0	0	232,604
Other	219,830	207,938	979,194
Total	<u>\$ 21,925,338</u>	<u>\$ 22,053,574</u>	<u>\$ 23,726,169</u>
<u>Operating Expenses</u>			
Purchased Power	\$ 778,900	\$ 361,547	\$ 533,418
Transmission O&M	200,401	396,931	254,926
Distribution-Operations	852,236	837,597	829,486
Distribution-Maintenance	1,135,923	1,199,253	1,021,442
Consumer Accounting	744,906	807,065	820,564
Customer Service	95,695	91,113	90,363
Sales	8,312	11,567	24,262
Administrative & General	4,526,284	4,312,964	4,518,598
Depreciation	2,404,762	2,676,561	2,821,804
Tax	511,909	622,671	622,724
Total	<u>\$ 11,259,328</u>	<u>\$ 11,317,269</u>	<u>\$ 11,537,587</u>
Return	<u>\$ 10,666,010</u>	<u>\$ 10,736,305</u>	<u>\$ 12,188,582</u>
<u>Interest & Other Deductions</u>			
Interest L-T Debt	\$ 1,652,796	\$ 1,413,372	\$ 1,330,259
Interest-Other	34,226	26,968	19,770
Other Deductions	28,043	22,427	27,209
Total	<u>\$ 1,715,065</u>	<u>\$ 1,462,767</u>	<u>\$ 1,377,238</u>
Operating Margin	<u>\$ 8,950,945</u>	<u>\$ 9,273,538</u>	<u>\$ 10,811,344</u>
<u>Non-Operating Margins</u>			
Interest Income	\$ 40,912	\$ 36,481	\$ 41,437
Other Margins	375,251	370,907	516,880
Other Capital Credits	171,387	129,555	133,633
Total	<u>\$ 587,550</u>	<u>\$ 536,943</u>	<u>\$ 691,950</u>
Net Margins	<u>\$ 9,538,495</u>	<u>\$ 9,810,481</u>	<u>\$ 11,503,294</u>

Supporting Schedules:
A-2.0

GARKANE ENERGY COOPERATIVE, INC.

PLANT BALANCES
AS OF DECEMBER 31, 2013

	Balance 12/31/2013	Net Additions	Balance 12/31/2013	Reclassification	Adjusted Test Year
Production Plant					
330.00 Land and Land Rights	\$ 328,300.09	\$	\$ 328,300.09	\$	\$ 328,300.09
331.00 Structures & Improvements	510,129.12		510,129.12		510,129.12
332.00 Reservoirs, Dams & Waterways	3,222,261.48		3,222,261.48		3,222,261.48
333.00 Water Wheels, Turbines & Generators	1,364,039.01		1,364,039.01		1,364,039.01
334.00 Accessory Electric Equip	230,085.00		230,085.00		230,085.00
335.00 Misc. PP Equip	35,978.68		35,978.68		35,978.68
336.01 Roads, Railroads, & Bridges	147,941.35		147,941.35		147,941.35
344.00 Generators	902,455.53		902,455.53		902,455.53
345.00 Accessory Electric Equip - Other	272,061.12		272,061.12		272,061.12
Total	\$ 7,013,251.38	\$ 0.00	\$ 7,013,251.38	\$ 0.00	\$ 7,013,251.38
Transmission Plant					
350.00 Land and Land Rights	\$ 2,336,075.06	\$	\$ 2,336,075.06	\$	\$ 2,336,075.06
351.00 Clearing Land & ROW	26,117.44		26,117.44		26,117.44
352.00 Structures & Improvements	41,920.05		41,920.05		41,920.05
353.00 Station Equipment	3,089,953.63		3,089,953.63		3,089,953.63
354.00 Tower and Fixtures	35,371.27		35,371.27		35,371.27
355.00 Poles and Fixtures	8,603,206.26		8,603,206.26		8,603,206.26
356.00 OH Conductors	5,945,714.65		5,945,714.65		5,945,714.65
359.00 Roads and Trails	23,982.75		23,982.75		23,982.75
Total	\$ 20,102,341.11	\$ 0.00	\$ 20,102,341.11	\$ 0.00	\$ 20,102,341.11
Distribution Plant					
360.00 Land and Land Rights	\$ 639,349.82	\$	\$ 639,349.82	\$	\$ 639,349.82
362.00 Substation Equipment	14,254,059.23		14,254,059.23		14,254,059.23
364.00 Poles, Towers & Fixtures	10,099,672.95		10,099,672.95		10,099,672.95
365.00 Conductors & Devices	11,211,353.07		11,211,353.07		11,211,353.07
366.00 Underground Conduit	157,470.99		157,470.99		157,470.99
367.00 Underground Conductors	3,413,752.11		3,413,752.11		3,413,752.11
368.00 Transformers	10,985,556.04		10,985,556.04		10,985,556.04
369.00 Services	3,129,009.01		3,129,009.01		3,129,009.01
370.00 Meters	2,337,856.19		2,337,856.19		2,337,856.19
371.00 Installations on Cons. Premises	121,535.71		121,535.71		121,535.71
373.00 Street Lighting & Signal System	107,678.81		107,678.81		107,678.81
Total	\$ 56,457,293.93	\$ 0.00	\$ 56,457,293.93	\$ 0.00	\$ 56,457,293.93

Recap Schedules:
E-1.0, A-4.0

GARKANE ENERGY COOPERATIVE, INC.

PLANT BALANCES
AS OF DECEMBER 31, 2013

	Balance 12/31/2013	Net Additions	Balance 12/31/2013	Reclassification	Adjusted Test Year
General Plant					
389.00 Land and Land Rights	\$ 663,588.93	\$	\$ 663,588.93	\$	\$ 663,588.93
390.00 Structures & Improvements	3,555,849.98		3,555,849.98		3,555,849.98
391.00 Office Furniture & Equipment	949,712.27		949,712.27		949,712.27
392.00 Transportation	2,703,000.26		2,703,000.26		2,703,000.26
394.00 Tools, Shop & Garage	81,422.40		81,422.40		81,422.40
395.00 Laboratory Equipment	482,947.44		482,947.44		482,947.44
396.00 Power Operated Equipment	4,366,643.27		4,366,643.27		4,366,643.27
397.00 Communications Equipment	552,653.55		552,653.55		552,653.55
398.00 Miscellaneous	588,033.46		588,033.46		588,033.46
Total	\$ 13,943,851.56	\$ 0.00	\$ 13,943,851.56	\$ 0.00	\$ 13,943,851.56
Total Classified Plant	\$ 97,516,737.98	\$ 0.00	\$ 97,516,737.98	\$ 0.00	\$ 97,516,737.98
Construction Work in Progress	\$ 4,906,868.61		\$ 4,906,868.61		\$ 4,906,868.61
Total Utility Plant in Service	\$ 102,423,606.59	\$ 0.00	\$ 102,423,606.59	\$ 0.00	\$ 102,423,606.59
Accumulated Depreciation	\$ 37,792,643.00	\$ 0.00	\$ 37,792,643.00	\$ 0.00	\$ 37,792,643.00
Total Net Plant	\$ 64,630,963.59	\$ 0.00	\$ 64,630,963.59	\$ 0.00	\$ 64,630,963.59

Recap Schedules:
E-1.0, A-4.0

GARKANE ENERGY COOPERATIVE, INC.

COMPARATIVE DEPARTMENTAL OPERATING INCOME STATEMENTS

COOPERATIVE EXPENSES NOT SEPARATED BY DEPARTMENT
COOPERATIVE ONLY OFFERS ELECTRIC SERVICE

GARKANE ENERGY COOPERATIVE, INC.

OPERATING STATISTICS
BY FORM 7 REVENUE CLASS

	12/31/2012	12/31/2012	Test Year 12/31/2013
Total kWh Sold			
Residential	117,613,995	114,718,314	123,245,426
Irrigation	3,960,168	4,525,442	4,388,050
Commercial 1000 kVA or Less	73,061,410	73,249,367	78,206,271
Commercial Over 1000 kVA	22,115,000	20,243,000	22,082,000
Public Street & Highway Lighting	393,600	395,400	395,233
Other Sales to Public Authority	19,862,550	20,182,754	20,076,251
Total	237,006,723	233,314,277	248,393,231
Average Consumers			
Residential	10,436	10,483	10,585
Irrigation	192	194	211
Commercial 1000 kVA or Less	1,514	1,510	1,531
Commercial Over 1000 kVA	1	1	1
Public Street & Highway Lighting	33	34	33
Other Sales to Public Authority	569	570	561
Total	12,745	12,792	12,922
Average Monthly Usage			
Residential	939	912	970
Irrigation	1,719	1,944	1,733
Commercial 1000 kVA or Less	4,021	4,042	4,257
Commercial Over 1000 kVA	1,842,917	1,686,917	1,840,167
Public Street & Highway Lighting	994	969	998
Other Sales to Public Authority	2,909	2,951	2,982
Total	1,550	1,520	1,602
Residential Class Revenue			
Residential Revenue	\$ 10,845,167	\$ 10,915,738	\$ 11,784,109
Residential Consumers	10,436	10,483	10,585
Average Annual Revenue Per Consumer	\$ 1,039.21	\$ 1,041.28	\$ 1,113.28

GARKANE ENERGY COOPERATIVE, INC.

CONSUMERS BY RATE SCHEDULE
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Utah													
RES21	7,895	7,882	7,889	7,914	7,903	7,928	7,959	7,970	7,991	7,984	7,971	7,972	95,258
UT021	1,213	1,206	1,208	1,220	1,215	1,213	1,216	1,226	1,221	1,223	1,218	1,227	14,606
UT01	269	268	271	270	265	264	265	269	266	270	265	268	3,210
Residential - Hildale	1,103	1,102	1,106	1,111	1,115	1,121	1,122	1,122	1,121	1,131	1,125	1,125	13,404
GS125	345	342	342	343	345	348	349	347	346	349	349	349	4,154
GS No. 1	47	47	47	47	48	47	47	49	47	49	47	47	569
UT025	132	133	134	136	137	137	137	137	138	137	137	135	1,630
UT05	17	18	18	17	17	17	17	17	17	17	17	17	206
GS No. 1 - Hildale	20	20	21	20	20	20	20	21	21	20	20	21	244
GS No. 2	89	89	89	88	87	87	87	87	87	87	87	86	1,050
GS No. 2 - Kenab City	6	6	6	6	6	6	6	4	4	4	4	4	60
GS No. 2 - Hildale	11	11	11	11	11	11	12	12	12	12	12	12	138
GS No. 3	3	3	3	3	3	3	3	3	3	3	3	3	36
GS No. 3 - Kenab City	24	24	24	24	24	24	24	24	24	24	24	24	288
GS No. 1 - Public Bldg & Auth - Hildale	14	14	14	14	14	14	14	14	14	14	14	14	167
UTH09	13	13	13	14	14	14	14	196	193	181	59	41	1,404
COG33	34	33	37	42	196	196	196	7	7	7	7	7	84
COG34	7	7	7	7	7	7	7	1	1	1	1	1	12
IRR24	1	1	1	1	1	1	1	1	1	1	1	1	329
TOD29/30	28	28	28	28	28	28	28	28	27	27	26	25	13
LP015	1	1	1	1	1	1	1	1	1	1	1	1	1
SL027	11,258	11,235	11,257	11,303	11,443	11,473	11,509	11,535	11,541	11,541	11,388	11,379	136,862
St. & Security Lights-Kanab City													
Total Utah													
Arizona													
RES01	554	552	547	547	549	547	547	549	552	552	559	562	6,623
ACC01	574	572	580	580	573	578	580	584	576	576	576	576	6,954
Residential Service - Colorado City	128	129	127	128	128	128	128	128	125	125	125	124	1,523
GS105	87	87	87	86	93	87	88	88	85	86	86	84	1,043
ACC05	5	5	5	5	5	5	6	6	6	6	6	6	66
GS No. 1	5	5	5	5	5	5	5	5	5	5	5	5	228
GS No. 1 - Colorado City	20	19	19	20	20	19	19	19	19	19	10	10	113
GS No. 2	9	9	9	9	9	9	9	9	9	9	9	9	10
ACC08	23	23	23	23	23	24	23	23	23	23	23	23	277
GS No. 2 - Colorado City	17	17	17	17	17	17	18	17	18	17	17	17	206
GS No. 1 - Public Bldg. & Auth.	13	12	13	16	18	17	16	16	15	15	18	17	178
ACC06	5	5	5	5	5	5	5	5	5	5	5	5	60
GS No. 1 - Public Bldg & Auth - CC	1,435	1,430	1,432	1,436	1,440	1,436	1,439	1,444	1,435	1,435	1,440	1,447	17,271
IRR04													
SL007													
Irrigation													
Street and Security Lights													
Total Arizona													
Total System													

GARKANE ENERGY COOPERATIVE, INC.

KWH SOLD BY RATE SCHEDULE
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Utah													
Residential	10,480,310	9,858,492	7,332,262	5,845,658	5,171,590	4,371,782	5,107,225	4,740,516	4,457,661	4,616,820	6,121,634	8,547,206	76,651,156
Residential - Kanab City	1,906,875	1,686,987	1,246,935	989,584	886,394	854,687	1,105,011	1,037,687	956,085	772,220	1,087,192	1,571,625	14,103,282
Residential - Hildale	771,886	848,508	506,362	618,433	562,981	817,986	888,300	562,443	712,822	559,873	528,344	660,521	8,441,459
GS No. 1	1,947,126	2,020,232	1,587,556	1,873,337	1,895,365	1,849,672	2,290,678	2,030,026	1,904,584	1,806,755	1,816,409	1,843,095	22,664,835
GS No. 1 - Kanab City	905,113	831,829	702,811	705,337	794,059	857,016	942,560	990,396	900,151	680,272	783,823	817,735	9,900,902
GS No. 1 - Hildale	144,236	171,560	99,878	134,881	130,725	180,530	189,973	225,733	163,582	152,092	132,070	146,860	1,871,920
GS No. 2	2,386,358	2,654,185	2,261,970	2,164,514	2,476,236	2,175,682	2,215,484	2,166,779	2,222,033	2,253,691	2,263,439	2,605,581	27,865,952
GS No. 2 - Kanab City	654,460	614,260	548,920	597,420	687,320	657,600	707,380	763,880	754,720	559,700	632,600	584,040	7,782,300
GS No. 2 - Hildale	356,234	412,936	260,307	368,229	376,457	352,959	442,770	464,491	403,747	354,256	341,530	379,560	4,513,476
GS No. 3	157,243	162,292	129,821	118,785	137,574	141,145	141,565	161,032	141,012	115,868	109,326	143,499	1,660,162
GS No. 3 - Kanab City	10,002	9,209	8,485	8,481	9,873	10,050	10,969	11,044	10,006	5,503	7,705	6,227	107,534
GS No. 3 - Public Bldg&Auth-Hildale	83,875	91,116	47,478	51,260	43,690	96,301	79,475	52,485	53,736	71,087	46,064	42,444	759,021
GS No. 2-Public Bldg&Auth-Hildale	9,223	11,229	7,284	8,724	7,723	11,625	11,939	12,782	9,825	8,982	7,723	7,834	114,993
Net Meter - Residential	35,735	35,753	22,484	8,103	7,006	3,113	4,696	5,458	6,320	5,734	12,556	25,463	172,421
Net Meter - Commercial	45,282	40,249	33,547	34,182	43,005	17,278	60,263	44,241	47,333	29,929	39,056	42,108	476,473
Irrigation	11,292	10,521	12,084	60,786	315,177	968,241	1,034,861	679,286	516,900	193,439	84,238	33,724	3,930,548
Muni Culinary and Irrig. Pumping	12,503	14,593	9,095	9,256	22,726	32,228	39,551	33,991	30,277	18,222	14,042	12,142	249,526
Extra Large Power Service	1,948,000	1,596,000	1,667,000	2,079,000	1,833,000	1,788,000	2,097,000	1,792,000	1,614,000	2,160,000	1,472,000	2,036,000	22,082,000
Street & Security Lighting	48,200	48,240	48,360	48,320	48,360	48,040	49,320	47,960	48,160	48,160	48,000	47,520	578,640
St. & Security Lights-Kanab City	9,980	9,980	9,980	9,980	9,980	9,980	9,980	9,980	9,660	9,660	9,660	9,660	118,480
Total Utah	21,923,933	21,110,171	16,542,419	15,535,250	15,469,241	15,243,915	17,429,000	16,255,110	14,962,714	14,433,273	15,577,411	19,562,644	204,045,081
Arizona													
Residential Service	1,117,427	1,113,145	903,839	674,679	647,962	615,758	849,457	751,934	751,304	559,281	697,799	972,765	9,655,350
Residential Service - Colorado City	1,377,165	1,472,992	870,649	1,073,208	934,120	1,328,293	1,388,944	1,585,524	1,182,412	932,081	961,776	1,201,584	14,308,738
GS No. 1	233,475	232,694	195,030	180,315	240,428	251,585	298,951	282,138	253,846	230,379	232,478	209,319	2,840,638
GS No. 1 - Colorado City	206,041	217,505	137,310	184,122	266,294	306,947	365,930	426,132	254,939	218,375	188,763	193,490	2,985,849
GS No. 2	433,630	623,140	465,145	592,460	695,410	649,455	721,020	713,230	753,340	812,395	679,110	636,420	7,774,755
GS No. 2 - Colorado City	126,145	158,494	89,813	152,697	168,115	177,251	169,825	201,369	170,416	143,841	136,921	186,130	1,881,017
GS No. 1 - Public Bldg. & Auth.	57,866	63,269	46,740	27,446	31,338	21,948	28,021	26,341	41,187	48,973	64,807	79,562	537,498
GS No. 1-Public Bldg&Auth - CC	91,841	107,574	64,728	114,606	95,770	129,241	113,204	130,224	93,831	96,788	95,228	84,108	1,217,143
GS No. 2-Public Bldg&Auth - CC	176,884	214,481	127,784	193,729	241,509	298,646	250,790	323,846	228,515	234,608	164,263	176,709	2,631,864
Irrigation	6,393	6,180	5,574	40,307	87,622	69,834	86,282	37,307	43,090	40,281	26,991	7,112	456,973
Street and Security Lights	4,860	4,820	4,860	4,940	4,900	4,900	4,900	4,900	4,900	4,900	4,860	4,820	58,560
Total Arizona	3,831,727	4,214,294	2,911,472	3,238,509	3,413,568	3,853,848	4,297,324	4,482,945	3,777,760	3,321,903	3,252,996	3,752,019	44,348,385
Total System	25,755,660	25,324,465	19,453,891	18,773,759	18,882,809	19,097,763	21,726,324	20,738,055	18,740,494	17,755,176	18,830,407	23,314,663	248,393,466

GARKANE ENERGY COOPERATIVE, INC.

BASE REVENUE BY RATE SCHEDULE
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Utah													
Residential	840,297	802,322	649,646	557,749	513,870	457,846	504,026	480,683	464,194	475,836	574,704	724,226	7,045,398
Residential - Kenab City	157,834	142,030	113,598	96,108	89,545	86,328	104,061	99,643	93,831	80,833	103,654	135,783	1,303,249
Residential - Hildale	85,458	93,610	57,235	69,171	63,158	90,275	97,780	106,000	79,137	62,878	59,498	73,548	937,748
GS No. 1	176,770	180,337	159,058	165,627	180,367	176,856	204,260	187,255	180,888	177,266	174,524	174,140	2,137,350
GS No. 1 - Kenab City	85,053	78,766	72,261	72,321	76,875	82,271	87,512	88,600	82,825	70,884	75,168	79,601	952,138
GS No. 1 - Hildale	13,585	15,389	10,482	12,821	13,068	16,516	17,426	19,546	15,211	14,735	12,881	13,996	175,655
GS No. 2	193,937	213,646	191,258	184,465	203,546	181,175	180,646	181,566	183,644	193,197	192,922	214,510	2,314,513
GS No. 2 - Kenab City	55,380	51,404	46,941	49,643	56,515	55,502	59,519	62,894	62,452	48,386	53,463	49,859	551,969
GS No. 2 - Hildale	35,324	38,752	26,971	35,212	35,833	34,062	42,120	43,406	39,122	34,600	33,522	36,566	435,489
GS No. 3	21,334	21,759	19,434	19,082	21,169	20,949	20,129	23,853	20,688	18,297	17,894	20,236	244,823
GS No. 3 - Kenab City	1,399	1,316	1,239	1,247	1,506	1,692	1,607	1,544	1,429	975	1,048	932	15,932
GS No. 3 - Public Bldg & Auth - Hildale	6,550	6,996	4,381	4,381	3,622	7,459	6,511	4,623	4,918	5,995	4,114	3,550	63,100
GS No. 2 - Public Bldg & Auth - Hildale	864	989	738	813	767	1,053	843	924	935	871	716	748	10,726
Net Meter - Residential	3,138	3,155	2,202	1,145	1,033	727	843	4,121	4,362	2,615	1,498	2,409	19,032
Net Meter - Commercial	4,405	2,252	2,307	3,364	4,205	1,922	5,146	4,121	4,362	2,615	3,920	4,240	42,860
Irrigation	3,011	2,723	3,199	7,011	34,913	80,906	83,582	62,665	50,752	26,620	9,711	3,950	369,043
Muni Culinary and Irrig. Pumping	0	0	0	0	0	0	0	0	0	0	0	0	0
Extra Large Power Service	132,878	109,509	114,393	141,575	124,912	122,098	142,901	122,587	110,420	147,082	100,852	138,620	1,507,826
Street & Security Lighting	8,885	8,878	8,902	8,894	8,902	8,886	9,090	8,823	8,862	8,862	8,823	8,737	106,543
St. & Security Lights-Kanab City	1,232	1,232	1,232	1,232	1,232	1,232	1,232	1,232	1,198	1,198	1,198	1,198	14,650
Total Utah	1,827,335	1,775,062	1,485,477	1,431,861	1,435,036	1,427,756	1,569,497	1,501,093	1,405,867	1,372,089	1,430,111	1,686,849	18,348,033
Arizona													
Residential Service	84,049	83,728	69,246	53,431	51,598	49,349	65,465	58,730	58,746	45,521	55,126	74,118	749,107
Residential Service - Colorado City	153,411	163,563	99,587	121,292	106,421	148,362	154,801	175,748	132,820	106,337	109,399	134,932	1,606,673
GS No. 1	20,812	21,146	18,521	17,239	21,529	22,688	26,022	24,748	23,116	21,649	21,308	19,615	258,392
GS No. 1 - Colorado City	19,188	20,336	14,675	18,503	24,457	27,301	33,131	35,774	24,737	21,622	19,332	19,065	278,121
GS No. 2	37,560	48,620	38,468	47,241	57,587	52,287	56,059	56,066	60,067	63,455	55,146	50,904	623,460
GS No. 2 - Colorado City	12,533	15,041	9,516	14,779	16,571	16,572	15,974	18,677	16,306	14,320	13,230	18,464	181,983
GS No. 1 - Public Bldg. & Auth.	4,794	5,193	3,997	2,742	2,861	2,300	2,776	4,085	3,832	4,300	5,251	6,642	48,773
GS No. 1 - Public Bldg & Auth - CC	7,611	8,606	5,958	9,210	8,150	10,378	9,397	10,325	8,048	8,194	8,046	7,447	101,371
GS No. 2 - Public Bldg & Auth - CC	15,736	18,247	12,284	16,851	20,911	24,759	21,516	26,909	21,084	20,876	15,041	15,826	230,041
Irrigation	785	683	659	3,422	8,012	5,197	6,101	3,399	3,571	3,314	2,129	975	38,246
Street and Security Lights	963	955	963	979	971	971	971	971	971	971	955	955	11,599
Total Arizona	357,442	386,118	273,875	305,690	319,070	360,163	392,214	415,432	353,297	310,559	304,962	348,943	4,127,767
Total System	2,184,777	2,161,181	1,759,352	1,737,551	1,754,106	1,787,919	1,961,711	1,916,525	1,759,164	1,682,648	1,735,073	2,035,792	22,475,800

GARKANE ENERGY COOPERATIVE, INC.

PCA REVENUE BY RATE SCHEDULE
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Utah													
Residential	0	0	0	0	0	0	0	0	0	0	0	0	0
Residential - Kenab City	0	0	0	0	0	0	0	0	0	0	0	0	0
Residential - Hildale	1,876	2,062	1,230	1,501	1,367	1,987	2,158	2,345	1,732	1,360	1,283	1,605	20,506
GS No. 1	0	0	0	0	0	0	0	0	0	0	0	0	0
GS No. 1 - Kenab City	0	0	0	0	0	0	0	0	0	0	0	0	0
GS No. 1 - Hildale	350	417	243	328	318	439	462	548	397	369	321	356	4,548
GS No. 2	0	0	0	0	0	0	0	0	0	0	0	0	0
GS No. 2 - Kenab City	0	0	0	0	0	0	0	0	0	0	0	0	0
GS No. 2 - Hildale	866	1,003	633	895	915	858	1,076	1,129	981	861	830	922	10,968
GS No. 3	0	0	0	0	0	0	0	0	0	0	0	0	0
GS No. 3 - Kenab City	0	0	0	0	0	0	0	0	0	0	0	0	0
GS No. 1-Public Bldg&Auth-Hildale	204	221	115	125	106	234	193	128	131	173	112	103	1,844
GS No. 2-Public Bldg&Auth-Hildale	22	27	18	21	19	28	29	31	24	22	19	19	279
Net Meter - Residential	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Meter - Commercial	0	0	0	0	0	0	0	0	0	0	0	0	0
Irrigation	0	0	0	0	0	0	0	0	0	0	0	0	0
Muni Culinary and Irrig. Pumping	0	0	0	0	0	0	0	0	0	0	0	0	0
Extra Large Power Service	0	0	0	0	0	0	0	0	0	0	0	0	0
Street & Security Lighting	0	0	0	0	0	0	0	0	0	0	0	0	0
St. & Security Lights-Kanab City	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Utah	3,318	3,731	2,238	2,869	2,725	3,546	3,918	4,181	3,265	2,785	2,565	3,005	38,144
Arizona													
Residential Service	2,715	2,705	6,716	5,013	4,814	4,575	6,311	5,587	5,582	4,155	5,185	7,228	60,587
Residential Service - Colorado City	3,341	3,574	2,111	2,605	2,267	3,224	3,370	3,848	2,869	2,262	2,333	2,915	34,719
GS No. 1	567	565	1,449	1,340	1,786	1,869	2,221	2,096	1,886	1,712	1,727	1,555	18,775
GS No. 1 - Colorado City	501	529	333	447	647	746	938	1,035	619	530	458	470	7,254
GS No. 2	1,054	1,514	3,456	4,402	5,167	4,825	5,357	5,158	5,597	6,036	5,046	4,729	52,342
GS No. 2 - Colorado City	307	385	218	371	409	431	413	489	414	350	333	452	4,571
GS No. 1 - Public Bldg. & Auth.	141	154	347	204	233	163	208	337	306	364	482	591	3,529
GS No. 1-Public Bldg&Auth - CC	223	261	157	278	233	314	275	316	228	235	231	204	2,957
GS No. 2-Public Bldg&Auth - CC	430	521	311	471	587	726	609	787	555	570	399	429	6,395
Irrigation	16	15	41	299	651	519	641	277	320	299	201	53	3,332
Street and Security Lights	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Arizona	9,294	10,223	15,139	15,430	16,793	17,392	20,344	19,932	18,377	16,514	16,395	18,627	194,460
Total System	12,612.04	13,954.16	17,377.52	18,299.55	19,518.20	20,937.33	24,261.76	24,112.62	21,641.87	19,298.20	18,959.23	21,631.98	232,604.46

GARKANE ENERGY COOPERATIVE, INC.

TOTAL REVENUE BY RATE SCHEDULE
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Utah													
Residential	840,296.83	802,321.66	649,646.07	557,748.55	513,870.31	457,845.93	504,026.39	480,682.84	464,194.35	475,835.59	574,703.78	724,226.16	7,045,398.26
Residential - Kenab City	157,834.32	142,030.31	113,598.39	96,107.58	89,544.64	86,328.07	104,061.16	99,643.40	93,831.00	80,833.35	103,654.00	135,783.15	1,303,249.37
Residential - Hildale	87,333.75	95,671.47	58,464.58	70,672.37	64,525.86	92,262.19	99,938.40	108,345.45	80,868.37	64,237.37	60,781.56	75,152.31	958,253.68
GS No. 1	176,770.47	180,337.01	159,058.40	165,627.17	180,367.13	176,856.09	204,259.60	187,255.45	180,887.68	177,266.21	174,524.21	174,140.11	2,137,349.53
GS No. 1 - Kenab City	85,052.78	78,765.79	72,261.15	72,321.25	76,874.71	82,271.47	87,511.86	88,599.53	82,825.25	70,884.04	75,168.37	79,601.40	952,137.60
GS No. 1 - Hildale	13,834.99	15,805.52	10,724.75	13,148.33	13,385.40	16,954.72	17,887.37	20,094.15	15,607.97	15,104.80	13,201.91	14,352.25	180,202.16
GS No. 2	193,937.45	213,646.16	191,258.16	184,465.00	203,545.66	181,175.23	180,645.70	181,566.21	183,644.45	193,196.84	192,922.23	214,509.65	2,314,512.74
GS No. 2 - Kenab City	55,380.40	51,404.33	46,940.51	49,643.37	56,515.21	55,501.91	59,519.30	62,894.46	62,452.30	48,385.52	53,463.15	49,856.71	651,959.17
GS No. 2 - Hildale	36,189.49	39,755.34	27,603.48	36,106.86	36,747.38	34,919.17	43,196.31	44,534.43	40,103.08	35,460.69	34,351.92	37,488.17	446,456.32
GS No. 3	21,334.33	21,758.57	19,433.74	19,082.08	21,168.88	20,948.64	20,129.10	23,852.94	20,688.47	18,297.24	17,893.86	20,235.58	244,833.41
GS No. 3 - Kenab City	1,398.68	1,315.78	1,239.21	1,246.96	1,506.22	1,691.65	1,606.74	1,544.00	1,428.60	974.52	1,047.76	931.69	15,931.81
GS No. 1 - Public Bldg&Auth-Hildale	6,754.07	7,217.16	4,486.14	4,505.66	3,728.16	7,693.45	6,704.22	4,750.46	5,048.13	6,167.38	4,225.87	3,653.53	64,944.23
GS No. 2 - Public Bldg&Auth-Hildale	886.73	1,015.83	755.78	1,145.16	785.41	1,080.81	1,133.84	1,158.92	959.61	892.55	734.47	767.43	11,005.28
Net Meter - Residential	3,137.96	3,154.92	2,201.72	1,145.90	1,032.64	727.21	842.76	924.49	987.76	960.03	1,498.05	2,409.31	19,032.01
Net Meter - Commercial	4,404.81	2,252.11	2,307.04	3,363.90	4,204.52	1,922.36	5,146.42	4,121.13	4,361.97	2,614.91	3,920.42	4,240.11	42,859.70
Irrigation	3,010.61	2,722.55	3,199.45	7,011.19	34,912.83	80,906.26	83,582.13	62,664.62	50,752.44	26,620.45	9,710.87	3,949.64	369,043.04
Muni Culinary and Irrig. Pumping	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Extra Large Power Service	132,878.10	109,508.50	114,392.80	141,574.70	124,911.80	122,097.80	142,901.30	122,586.90	110,419.70	147,082.10	100,852.10	138,620.00	1,507,825.80
Street & Security Lighting	8,894.60	8,878.05	8,901.60	8,893.75	8,901.60	8,885.90	9,090.00	8,823.10	8,862.35	8,862.30	8,823.10	8,736.75	106,543.10
St. & Security Lights-Kanab City	1,232.20	1,232.20	1,232.20	1,232.20	1,232.20	1,232.20	1,232.20	1,232.20	1,198.20	1,198.20	1,198.20	1,198.20	14,650.40
Total Utah	1,830,652.57	1,778,793.26	1,487,715.17	1,434,729.96	1,437,760.56	1,431,301.06	1,573,414.80	1,505,274.48	1,408,131.68	1,374,874.09	1,432,675.83	1,689,854.15	18,386,177.61
Arizona													
Residential Service	86,764.35	86,433.22	75,962.10	58,443.95	56,412.44	53,923.79	71,776.87	64,316.39	64,328.55	49,676.36	60,310.52	81,345.36	809,693.90
Residential Service - Colorado City	156,752.47	167,136.81	101,697.96	123,896.67	108,687.25	151,585.98	158,171.86	179,595.96	135,688.40	108,598.73	111,732.24	137,847.29	1,641,391.62
GS No. 1	21,379.09	21,711.48	19,970.01	18,579.00	23,315.82	24,557.71	28,242.81	26,843.95	25,001.93	23,360.74	23,034.81	21,169.89	277,167.24
GS No. 1 - Colorado City	19,688.35	20,864.31	15,008.93	18,950.59	25,104.02	28,046.53	34,068.93	36,809.68	25,355.81	22,152.28	19,790.75	19,534.84	285,374.82
GS No. 2	38,613.87	50,134.20	41,924.11	51,642.72	62,754.35	57,112.08	61,415.76	61,224.70	65,664.30	69,491.34	60,191.39	55,633.00	675,801.82
GS No. 2 - Colorado City	12,839.39	15,426.21	9,933.80	15,149.70	16,979.73	17,002.70	16,387.11	19,166.26	16,720.18	14,669.17	13,562.82	18,916.52	186,553.59
GS No. 1 - Public Bldg. & Auth.	4,934.86	5,346.60	4,344.71	2,946.20	3,094.33	2,462.98	2,984.10	4,421.65	4,137.88	4,663.59	5,732.19	7,232.96	52,302.05
GS No. 1 - Public Bldg&Auth - CC	7,834.59	8,667.45	6,114.88	9,488.92	8,382.33	10,692.32	9,671.91	10,641.68	8,275.67	8,429.20	8,277.14	7,651.65	104,321.74
GS No. 2 - Public Bldg&Auth - CC	16,165.34	18,768.22	12,594.58	17,322.11	21,498.50	25,484.28	22,125.82	27,695.84	21,639.76	21,446.07	15,440.38	16,255.47	236,436.37
Irrigation	800.90	697.91	700.25	3,721.32	8,663.49	5,715.55	6,741.89	3,676.05	3,890.66	3,613.46	2,329.35	1,028.04	41,578.87
Street and Security Lights	963.18	955.06	963.18	979.42	971.30	971.30	971.30	971.30	971.30	971.30	956.06	956.06	11,598.76
Total Arizona	366,736.39	396,341.47	289,014.51	321,120.60	335,863.56	377,555.22	412,558.36	435,363.46	371,674.44	327,072.24	321,356.65	367,569.88	4,322,226.78
Total System	2,197,388.96	2,175,134.73	1,776,729.68	1,755,850.56	1,773,624.12	1,808,856.28	1,985,973.16	1,940,637.94	1,780,808.12	1,701,946.33	1,754,032.48	2,057,424.03	22,708,404.39

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF ADJUSTED TEST YEAR REVENUE - UTAH

1. RESIDENTIAL

	Billing Units	Rate	Revenue
Residential - RES21			
Consumers (12 month sum)	95,258	17.00	1,619,386
kWh			
First 1,000 kWh			
Excess	51,099,204	0.072000	3,679,143
kWh Included in Minimum	25,551,952	0.059000	1,507,565
Minimum Bills	(1,729,884)	0.072000	(124,562)
Billing Adjustments	19,168	13.00	249,184
Base Revenue			114,672
PCA	76,651,156		7,045,398
Subtotal Revenue			0
			7,045,398
Residential - Kanab City - UT021			
Consumers (12 month sum)	14,606	17.00	248,302
kWh			
First 1,000 kWh			
Excess	10,026,175	0.072000	721,885
kWh Included in Minimum	4,077,107	0.059000	240,549
Minimum Bills	(143,761)	0.072000	(10,351)
Base Revenue	1,416	13.00	18,408
PCA	14,103,282		1,218,793
Subtotal Revenue			0
			1,218,793
Residential - Hildale - UTH01			
Consumers (12 month sum)	3,210	12.50	40,125
kWh			
Adjustment Charge	8,441,459	0.069070	583,052
Base Revenue	8,441,459	0.037317	315,010
PCA			938,187
Subtotal Revenue			31,855
			970,041
Base Revenue			
PCA	99,195,897		9,202,378
Total Revenue			31,855
			9,234,233

Supporting Schedules:
E-7.1, E-7.2, E-7.7, E-7.8

Recap Schedules:
H-1.0

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF ADJUSTED TEST YEAR REVENUE - UTAH

	Billing Units	Rate	Revenue
2. GENERAL SERVICE NO. 1			
<u>General Service No. 1 - GS125</u>			
Consumers (12 month sum)	13,404	18.00	241,272
First 3 Billing kW	27,849	0.00	0
Excess Billing kW	75,641	7.20	544,615
kWh			
First 5,000 kWh	18,174,128	0.061000	1,108,622
Excess	4,490,707	0.046000	206,573
Additional Minimum Billing			15,106
Base Revenue			2,116,188
PCA	22,664,835		0
Subtotal Revenue			2,116,188
<u>General Service No. 1 - Kanab City - UT025</u>			
Consumers (12 month sum)	4,154	18.00	74,772
Demand kW	34,906	7.20	251,323
kWh			
First 5,000 kWh	6,865,571	0.061000	418,800
Excess	3,035,331	0.046000	139,625
Minimum Billing			7,476
Base Revenue			891,996
PCA	9,900,902		0
Subtotal Revenue			891,996
<u>General Service No. 1 - Hildale - UTH05</u>			
Consumers (12 month sum)	569	12.50	7,113
Demand kW	7,426	6.37	47,304
kWh			
Adjustment Charge		0.058450	109,414
Base Revenue	1,871,920		11,563
PCA	1,871,920	0.006177	175,393
Subtotal Revenue			7,302
			182,694
Total Base Revenue			3,183,577
Total PCA Revenue	34,437,657		7,302
Total Revenue			3,190,879

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF ADJUSTED TEST YEAR REVENUE - UTAH

	Billing Units	Rate	Revenue
3. GENERAL SERVICE NO.2			
<u>General Service No. 2 - GS228</u>			
Consumers (12 month sum)	1,630	30.00	48,900
Demand kW	88,080	7.25	638,580
kWh			1,619,012
Base Revenue	27,865,952	0.058100	2,306,492
PCA			0
Subtotal Revenue			2,306,492
<u>General Service No. 2 - Kanab City - UT028</u>			
Consumers (12 month sum)	206	30.00	6,180
Demand kW	20,275	7.25	146,984
kWh	7,782,300	0.058100	452,152
Base Revenue			605,325
PCA			0
Subtotal Revenue			605,325
<u>General Service No. 2 - Hildale - UTH08</u>			
Consumers (12 month sum)	244	20.00	4,880
Demand kW	13,631	6.37	86,829
kWh	4,513,476	0.061150	275,999
Adjustment Charge	4,513,476	0.015035	67,860
Base Revenue			435,569
PCA			17,514
Subtotal Revenue			453,083
Total Base Revenue	40,161,728		3,347,386
Total PCA Revenue			17,514
Total Revenue			3,364,900

Supporting Schedules:
E-7.1, E-7.2, E-7.7, E-7.8

Recap Schedules:
H-1.0

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF ADJUSTED TEST YEAR REVENUE - UTAH

	Billing Units	Rate	Revenue
4. GENERAL SERVICE NO. 3			
<u>General Service No. 3 - GS332</u>			
Consumers (12 month sum)	1,050	30.00	31,500
Demand kW	7,021	9.95	69,859
kWh	1,660,162	0.086000	142,774
Base Revenue			244,133
PCA			0
Subtotal Revenue			244,133
<u>General Service No. 3 - Kanab City - UT032</u>			
Consumers (12 month sum)	60	30.00	1,800
Demand kW	426	9.95	4,239
kWh	107,534	0.086000	9,248
Base Revenue			15,287
PCA			0
Subtotal Revenue			15,287
Total Base Revenue			259,420
Total PCA Revenue			0
Total Revenue			259,420
5. PUBLIC BUILDINGS & AUTHORITIES - HILDALE			
<u>General Service No. 1 - Public Bldg. & Auth. - Hildale - UTH06</u>			
Consumers (12 month sum)	138	12.50	1,725
Demand kW	2,199	6.37	14,008
kWh	759,021	0.058450	44,365
Adjustment Charge			3,003
Base Revenue			63,100
PCA			3,831
Subtotal Revenue			66,931
<u>General Service No. 2 - Public Bldg. & Auth. - Hildale - UTH09</u>			
Consumers (12 month sum)	36	20.00	720
Demand kW	395	6.37	2,516
kWh	114,993	0.061150	7,032
Adjustment Charge			455
Base Revenue			10,723
PCA			503
Subtotal Revenue			11,226
Total Base Revenue			73,823
Total PCA			4,335
Total Revenue			78,158

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF ADJUSTED TEST YEAR REVENUE - UTAH

	Billing Units	Rate	Revenue
6. NET METER			
<u>Net Meter - Residential - COG33</u>			
Consumers (12 month sum)	288	25.00	7,200
Additional Minimum Bill	29	5.00	145
kWh Sales Registered	172,421		
Net kWh Sold	168,627	0.072000	12,141
Excess kWh	114,860	(0.026000)	(2,986)
kWh Included in Minimum	(1,034)	0.072000	(74)
Base Revenue			16,425
PCA Revenue			0
Total Revenue			16,425
<u>Net Meter - Commercial - COG34</u>			
Consumers (12 month sum)	167	25.00	4,175
Additional Minimum Bill	12	5.00	60
First 3 kW	402	0.00	0
Excess kW	1,822	7.20	13,118
kWh Sales Registered	476,473		
Net kWh Sold	491,635	0.061000	29,990
Excess kWh	44,540	(0.026000)	(1,158)
kWh Included in Minimum	(454)	0.061000	(28)
Base Revenue			46,157
PCA Revenue			0
Total			46,157
Total Base Revenue	648,894		62,582
Total PCA Revenue			0
Total Revenue			62,582

Supporting Schedules:
E-7.1, E-7.2, E-7.7, E-7.8

Recap Schedules:
H-1.0

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF ADJUSTED TEST YEAR REVENUE - UTAH

	Billing Units	Rate	Revenue
7. IRRIGATION			
Irrigation - IRR24			
Consumers (12 month sum)	1,404	30.00	42,120
Demand kW			
Peak Demand per kW	13,403	7.25	97,172
Off-Peak Demand per kW	0	0.00	0
kWh			
First 10,000 kWh	2,832,909	0.062000	175,640
Excess	1,097,640	0.048000	52,687
Base Revenue	3,930,549		367,619
PCA			0
Subtotal Revenue			367,619
Municipal Culinary and Irrigation Pumping - TOD29/TOD30			
Consumers (12 month sum)	84	30.00	2,520
Demand kW			
Peak Demand per kW	1,912	8.70	16,634
Off-Peak Demand per kW	0	0.00	0
kWh			
On-Peak	116,309	0.079000	9,188
Off-Peak	133,217	0.050000	6,661
Base Revenue	249,526		35,004
PCA			0
Subtotal Revenue			35,004
Base Revenue	4,180,075		402,622
PCA			0
Total Revenue			402,622
8. EXTRA LARGE POWER SERVICE - LP015			
Consumers (12 month sum)	12	100.00	1,200
Demand kW	32,914	6.70	220,524
kWh			
Base Load Energy Rate	16,116,000	0.055000	886,380
Marginal Load Energy Rate	5,966,000	0.067000	399,722
Base Revenue	22,082,000		1,507,826
PCA			0
Subtotal Revenue			1,507,826

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF ADJUSTED TEST YEAR REVENUE - UTAH

	Billing Units	Rate	Revenue
9. LIGHTING			
<u>Street & Security Lighting - SL027</u>			
100 Watt HPS or LED 40 kWh/Mo	12,905	7.85	101,304
250 Watt HPS or LED 100 kWh/Mo	216	12.50	2,700
400 Watt HPS or LED 160 kWh/Mo	144	17.00	2,448
Base Revenue			106,452
PCA			0
Subtotal Revenue			106,452
kWh Sold	578,640		
<u>Street & Security Lighting - Kanab City - UT027</u>			
100 Watt or less	504	7.85	3,956
250 Watt	132	12.50	1,650
400 Watt	532	17.00	9,044
1,000 Watt	0		0
1,800 Watt	0		0
Base Revenue			14,650
PCA			0
Subtotal Revenue			14,650
kWh Sold	118,480		
Base Revenue			121,103
PCA			0
Total Revenue			121,103
10. TOTAL SYSTEM			
Base Revenue			18,160,716
PCA			61,005
Total Revenue	204,045,081		18,221,721

Supporting Schedules:
E-7.1, E-7.2, E-7.7, E-7.8Recap Schedules:
H-1.0Schedule E-7.6
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GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF ADJUSTED TEST YEAR REVENUE - ARIZONA

	Billing Units	Rate	Revenue
1. RESIDENTIAL			
Residential Service - RES01			
Consumers (12 month sum)	6,623	12.50	82,788
kWh	9,655,350	0.069070	666,895
Base Revenue			749,683
PCA			84,291
Subtotal Revenue			833,973
Residential Service - Colorado City - ACC01			
Consumers (12 month sum)	6,954	12.50	86,925
kWh	14,308,738	0.069070	988,305
Adjustment Charge	14,308,738	0.037317	533,959
Base Revenue			1,609,189
PCA			51,634
Subtotal Revenue			1,660,823
Total Base Revenue	23,964,088		2,358,871
Total PCA			135,925
Total Revenue			2,494,796
2. GENERAL SERVICE NO. 1			
General Service No. 1 - GS105			
Consumers (12 month sum)	1,523	12.50	19,038
Demand kW	10,984	6.37	69,968
kWh	2,840,638	0.058450	166,035
Base Revenue			255,041
PCA			25,511
Subtotal Revenue			280,552
General Service No. 1 - Colorado City - ACC05			
Consumers (12 month sum)	1,043	12.50	13,038
Demand kW	11,299	6.37	71,975
kWh	2,985,849	0.058450	174,523
Adjustment Charge	2,985,849	0.006177	18,444
Base Revenue			277,979
PCA			12,522
Subtotal Revenue			290,501
Total Base Revenue	5,826,487		533,019
Total PCA Revenue			38,034
Total Revenue			571,053

Supporting Schedules:
E-7.1, E-7.2, E-7.7, E-7.8

Recap Schedules:
H-1.0

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF ADJUSTED TEST YEAR REVENUE - ARIZONA

	Billing Units	Rate	Revenue
3. GENERAL SERVICE NO. 2			
<u>General Service No. 2 - GS208</u>			
Consumers (12 month sum)	66	20.00	1,320
Demand kW	23,214	6.37	147,873
kWh	7,774,755	0.061150	475,426
Base Revenue			624,619
PCA			68,608
Subtotal Revenue			693,228
<u>General Service No. 2 - Colorado City - ACC08</u>			
Consumers (12 month sum)	228	20.00	4,560
Demand kW	5,356	6.37	34,118
kWh	1,881,017	0.061150	115,024
Adjustment Charge	1,881,017	0.015035	28,281
Base Revenue			181,983
PCA			6,057
Subtotal Revenue			188,040
Total Base Revenue	9,655,772		806,602
Total PCA Revenue			74,665
Total Revenue			881,267
4. GENERAL SERVICE NO. 1 - PUBLIC BUILDINGS			
<u>General Service No. 1 - Public Bldg. & Auth. - GS206</u>			
Consumers (12 month sum)	113	12.50	1,413
Demand kW	2,329	6.37	14,836
kWh	537,498	0.058450	31,417
Base Revenue			47,665
PCA			4,588
Subtotal Revenue			52,253
<u>General Service No. 1 - Public Bldg. & Auth. - Colorado City - ACC06</u>			
Consumers (12 month sum)	277	12.50	3,463
Demand kW	3,446	6.37	21,951
kWh	1,217,143	0.058450	71,142
Adjustment Charge	1,217,143	0.003956	4,815
Base Revenue			101,371
PCA			5,418
Subtotal Revenue			106,789

Supporting Schedules:
E-7.1, E-7.2, E-7.7, E-7.8Recap Schedules:
H-1.0

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF ADJUSTED TEST YEAR REVENUE - ARIZONA

	Billing Units	Rate	Revenue
4. GENERAL SERVICE NO. 1 - PUBLIC BUILDINGS (CONTINUED)			
<u>General Service No. 2 - Public Bldg. & Auth. - Colorado City - ACC09</u>			
Consumers (12 month sum)	206	20.00	4,120
Demand kW	8,570	6.37	54,591
kWh	2,631,864	0.061150	160,938
Adjustment Charge		0.003956	10,412
Base Revenue	2,631,864		230,061
PCA			11,596
Subtotal Revenue			241,657
Total Base Revenue	4,386,505		379,097
Total PCA			21,602
Total Revenue			400,699
5. IRRIGATION - IRR04			
Consumers - Single Phase (Annual Charge)	10	75.00	750
Consumers - Three Phase (Annual Charge)	8	125.00	1,000
Demand kW	1,948	5.31	10,344
kWh	456,973	0.057230	26,153
Base Revenue			38,246
PCA			4,200
Subtotal Revenue			42,447
6. LIGHTING			
100 Watt or less	1,372	8.12	11,141
250 Watt	36	12.50	450
400 Watt	0	17.00	0
Base Revenue			11,591
PCA			520
Total Revenue			12,111
Lighting	58,560		
7. TOTAL ARIZONA SYSTEM			
Total Base Revenue	44,348,385		4,127,427
Total PCA			274,946
Total Revenue			4,402,373

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF ADJUSTED SPECIAL ADJUSTMENT CHARGE
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	January	February	March	April	May	June	July	August	September	October	November	December	Total
	kWh Sold												
Utah													
Residential	10,480,310	9,858,492	7,332,262	5,845,658	5,171,590	4,371,782	5,107,225	4,740,516	4,457,661	4,616,820	6,121,634	8,547,206	76,651,156
Residential - Kanab City	1,906,875	1,668,987	1,246,935	989,584	896,394	854,687	1,105,011	1,037,667	956,085	772,220	1,097,192	1,571,625	14,103,282
Residential - Hildale	771,886	848,508	506,362	618,433	562,961	817,986	888,300	965,443	712,822	559,873	528,344	660,521	8,441,459
GS No. 1	1,947,126	2,020,232	1,587,556	1,673,337	1,895,365	1,849,672	2,290,678	2,030,026	1,904,584	1,806,755	1,816,409	1,843,095	22,664,835
GS No. 1 - Kanab City	905,113	831,829	702,611	705,337	794,059	857,016	942,560	990,396	900,151	690,272	763,823	817,735	9,900,902
GS No. 1 - Hildale	144,236	171,560	99,878	134,881	130,725	180,530	189,973	225,733	163,582	152,092	132,070	146,660	1,871,920
GS No. 2	2,386,358	2,654,185	2,261,970	2,164,514	2,476,236	2,175,682	2,215,484	2,186,779	2,222,033	2,253,691	2,263,439	2,605,581	27,865,952
GS No. 2 - Kanab City	694,460	614,260	548,920	597,420	687,320	657,600	707,380	763,880	754,720	559,700	652,600	584,040	7,782,300
GS No. 2 - Hildale	356,234	412,936	260,307	368,229	376,457	352,959	442,770	484,491	403,747	354,256	341,530	379,560	4,513,476
GS No. 3	157,243	162,292	129,821	119,785	137,574	141,145	141,565	161,032	141,012	115,868	109,326	143,499	1,660,162
GS No. 3 - Kanab City	9,209	9,209	8,485	8,461	9,873	10,050	10,969	11,044	10,006	5,503	7,705	6,227	107,534
GS No. 3 - Public Bldg&Auth-Hildale	83,875	91,116	47,478	51,260	43,690	96,301	79,475	52,485	53,736	71,097	46,064	42,444	759,021
GS No. 2-Public Bldg&Auth-Hildale	9,223	11,229	7,284	8,724	7,723	11,625	11,939	12,782	9,925	8,982	7,723	7,834	114,993
Net Meter - Residential	35,735	35,753	22,484	8,103	7,006	3,113	4,696	5,458	6,320	5,734	12,556	25,463	172,421
Net Meter - Commercial	45,282	40,249	33,547	34,182	43,005	17,278	60,263	44,241	47,333	29,929	39,056	42,108	476,473
Irrigation	11,292	10,521	12,084	60,786	315,177	968,241	1,034,861	679,286	516,900	193,439	94,238	33,724	3,930,549
Extra Large Power Service	12,503	14,593	9,095	9,256	22,726	32,228	39,551	33,891	30,277	19,222	14,042	12,142	249,526
Street & Security Lighting	1,948,000	1,596,000	1,667,000	2,079,000	1,833,000	1,788,000	2,097,000	1,792,000	1,614,000	2,160,000	1,472,000	2,036,000	22,082,000
St. & Security Lights-Kanab City	48,200	48,240	48,360	48,320	48,360	48,040	49,320	47,960	48,160	48,160	48,000	47,520	578,640
St. & Security Lights-Kanab City	9,980	9,980	9,980	9,980	9,980	9,980	9,980	9,980	9,660	9,660	9,660	9,660	118,480
Total Utah	21,923,933	21,110,171	16,542,419	15,535,250	15,469,241	15,243,915	17,429,000	16,255,110	14,962,714	14,433,273	15,577,411	19,562,644	204,045,081
Arizona													
Residential Service	1,117,427	1,113,145	903,839	674,679	647,952	616,759	840,457	751,934	751,304	559,261	697,789	972,765	9,655,380
Residential Service - Colorado City	1,377,165	1,472,992	870,649	1,073,208	934,120	1,328,283	1,388,944	1,585,524	1,182,412	932,081	961,776	1,201,584	14,308,738
GS No. 1	233,475	232,884	165,030	130,315	240,426	251,585	268,851	282,138	233,646	230,379	232,478	209,319	2,840,636
GS No. 1 - Colorado City	206,041	217,505	137,310	184,122	266,294	306,947	385,930	426,132	254,939	218,376	188,763	193,490	2,985,849
GS No. 2	433,630	623,140	465,145	592,460	686,410	649,455	721,029	713,230	753,340	812,395	679,110	636,420	7,774,755
GS No. 2 - Colorado City	126,145	158,494	89,813	152,697	168,115	177,251	169,825	201,369	170,416	143,841	136,921	186,130	1,881,017
GS No. 1 - Public Bldg. & Auth.	57,896	63,269	46,740	27,446	31,338	21,943	28,021	26,341	41,167	46,973	64,607	79,362	537,486
GS No. 1-Public Bldg&Auth - CC	91,841	107,574	64,728	114,606	95,770	129,241	113,204	130,224	93,831	96,788	95,228	84,108	1,217,143
GS No. 2-Public Bldg&Auth - CC	176,884	214,481	127,784	193,729	241,809	298,646	250,790	323,846	228,515	234,608	164,263	176,709	2,631,864
Irrigation	6,383	6,180	5,574	40,307	67,627	69,834	60,282	37,607	43,009	40,261	26,991	7,112	456,673
Street and Security Lights	4,600	4,820	4,860	4,940	4,900	4,900	4,900	4,900	4,900	4,900	4,900	4,820	59,560
Total Arizona	3,831,727	4,214,294	2,911,472	3,238,509	3,413,568	3,853,848	4,297,324	4,482,945	3,777,780	3,321,903	3,252,996	3,752,019	44,348,385
Total System	25,755,660	25,324,465	18,453,891	18,773,759	19,882,809	19,097,763	21,726,324	20,738,055	18,740,494	17,755,176	18,830,407	23,314,663	248,393,466
Total kWh Subject to SPAC	3,343,530	3,706,395	2,211,593	2,899,889	2,827,484	3,699,769	3,921,150	4,388,029	3,273,925	2,771,994	2,602,682	3,079,040	38,725,480

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF ADJUSTED SPECIAL ADJUSTMENT CHARGE
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	January	February	March	April	May	June	July	August	September	October	November	December	Total
SPAC Adjusment Rate													
Residential - Hildale	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317
GS No. 1 - Hildale	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177
GS No. 2 - Hildale	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035
GS No. 1-Public Bldg&Auth-Hildale	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956
GS No. 2-Public Bldg&Auth-Hildale	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956
Residential Service - Colorado City	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317	0.037317
GS No. 1 - Colorado City	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177	0.006177
GS No. 2 - Colorado City	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035	0.015035
GS No. 1-Public Bldg&Auth - CC	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956
GS No. 2-Public Bldg&Auth - CC	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956	0.003956
Monthly SPAC From Monthly Power	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	(25,000)	800,000
SPAC Adjusment Revenue Collected													
Residential - Hildale	28,804	31,664	18,896	23,078	21,009	30,525	33,149	36,027	26,600	20,893	19,716	24,849	315,010
GS No. 1 - Hildale	891	1,060	617	833	807	1,115	1,173	1,394	1,010	939	816	906	11,563
GS No. 2 - Hildale	5,356	6,208	3,914	5,536	5,660	5,307	6,657	6,984	6,070	5,326	5,135	5,707	67,860
GS No. 1-Public Bldg&Auth-Hildale	332	360	188	203	173	381	314	208	213	281	182	168	3,003
GS No. 2-Public Bldg&Auth-Hildale	36	44	29	35	31	46	47	51	39	36	31	31	455
Residential Service - Colorado City	51,392	54,968	32,490	40,049	34,859	49,568	51,831	59,167	44,124	34,782	35,891	44,840	533,959
GS No. 1 - Colorado City	1,273	1,344	848	1,137	1,645	1,896	2,384	2,632	1,575	1,349	1,166	1,195	18,444
GS No. 2 - Colorado City	1,897	2,383	1,350	2,296	2,528	2,665	2,553	3,028	2,562	2,163	2,059	2,798	28,281
GS No. 1-Public Bldg&Auth - CC	363	426	256	453	379	511	448	515	371	383	377	333	4,815
GS No. 2-Public Bldg&Auth - CC	700	848	506	766	956	1,181	992	1,281	904	928	650	699	10,412
Total	91,044	99,305	59,093	74,387	68,045	93,195	99,549	111,287	83,469	67,080	66,021	81,325	993,801
Amount to Recover	(16,044)	(24,305)	15,907	613	6,955	(18,195)	(24,549)	(36,287)	(8,469)	7,920	8,979	(106,325)	(193,801)
Amount to Recover per kWh Sold	(0.004798)	(0.006558)	0.007192	0.000212	0.002460	(0.004918)	(0.006261)	(0.008259)	(0.002587)	0.002857	0.003450	(0.034532)	(0.005004)

**CALCULATION OF ADJUSTED SPECIAL ADJUSTMENT CHARGE
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013**

[illegible]

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF ADJUSTED WHOLESALE POWER COST ADJUSTMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Utah													
Residential	10,480,310	9,858,492	7,332,262	5,845,658	5,171,500	4,371,782	5,107,225	4,740,516	4,457,661	4,616,820	6,121,634	8,547,206	76,851,158
Residential - Kanab City	1,906,875	1,688,987	1,246,935	989,584	806,394	654,687	1,105,011	1,037,687	956,085	772,220	1,087,192	1,571,625	14,103,282
Residential - Hildale	771,886	848,508	506,362	618,433	562,981	817,966	888,300	965,443	712,822	559,873	528,344	660,521	8,441,459
GS No. 1	1,947,126	2,020,232	1,587,556	1,673,337	1,895,365	1,849,672	2,290,678	2,030,026	1,904,584	1,806,755	1,816,409	1,843,085	22,661,835
GS No. 1 - Kanab City	905,113	831,629	702,611	705,337	704,059	857,016	942,560	990,366	900,151	690,272	763,823	817,735	9,900,902
GS No. 1 - Hildale	144,236	171,560	99,878	134,861	130,725	180,530	189,973	225,733	163,582	152,092	132,070	146,660	1,871,920
GS No. 2	2,386,358	2,654,165	2,261,970	2,164,514	2,476,236	2,175,682	2,215,484	2,166,779	2,222,033	2,253,691	2,263,439	2,605,581	27,865,992
GS No. 2 - Kanab City	654,460	614,260	548,920	587,420	687,320	657,600	707,380	763,880	754,720	559,700	652,600	584,040	7,782,300
GS No. 2 - Hildale	356,234	412,936	368,229	376,457	376,457	352,959	442,770	464,491	403,747	354,256	341,530	379,560	4,513,476
GS No. 3	157,243	162,292	129,921	119,785	137,574	141,145	141,565	161,032	141,012	115,868	109,326	143,499	1,660,162
GS No. 3 - Kanab City	10,002	9,209	8,485	8,461	9,873	10,050	10,969	11,044	10,006	5,803	7,705	8,227	107,534
GS No. 3 - Public Bldg&Auth-Hildale	83,875	91,116	47,478	51,260	43,690	96,301	79,475	52,485	53,736	71,097	46,064	42,444	759,021
GS No. 2-Public Bldg&Auth-Hildale	9,223	11,229	7,284	8,724	7,706	11,625	11,939	12,782	9,925	8,982	7,723	7,834	114,993
Net Meter - Residential	35,735	35,753	22,484	8,103	43,005	17,278	60,263	44,241	6,320	5,734	12,556	25,463	172,421
Net Meter - Commercial	45,282	40,249	33,547	34,182	315,177	968,241	1,034,861	679,266	516,900	193,439	94,238	33,724	3,930,549
Irrigation	11,292	10,521	12,084	80,786	32,228	32,228	30,551	33,891	30,277	19,222	14,042	12,142	249,526
Muni Culinary and Irig, Pumping	12,503	14,593	9,095	9,256	22,728	22,728	2,097,000	1,792,000	1,614,000	2,160,000	1,472,000	2,036,000	22,082,000
Extra Large Power Service	1,948,000	1,506,000	1,667,000	2,079,000	1,933,000	1,788,000	2,097,000	47,960	48,160	48,160	48,000	47,520	578,640
Street & Security Lighting	48,200	48,240	48,360	46,320	48,360	48,040	49,320	47,960	48,160	48,160	48,000	47,520	578,640
St. & Security Lights-Kanab City	9,980	9,980	9,980	9,980	9,980	9,980	9,980	9,980	9,660	9,660	9,660	9,660	118,480
Total Utah	21,923,933	21,110,171	16,542,419	15,535,250	15,469,241	15,243,915	17,429,000	16,255,110	14,962,714	14,433,273	15,577,411	19,562,644	204,045,081
Arizona													
Residential Service	1,117,427	1,113,145	903,839	674,679	647,962	615,758	849,457	751,934	751,304	559,281	697,799	972,765	9,655,350
Residential Service - Colorado City	1,377,165	1,472,992	870,649	1,073,208	934,120	1,328,283	1,388,944	1,585,524	1,182,412	932,081	961,776	1,201,584	14,308,738
GS No. 1	233,475	232,694	195,030	180,315	240,428	251,585	298,951	282,138	253,846	230,378	232,478	209,319	2,840,638
GS No. 1 - Colorado City	206,041	217,505	137,310	184,122	266,294	306,947	385,930	426,132	254,939	218,376	188,763	193,490	2,985,849
GS No. 2	433,630	623,140	485,145	592,460	695,410	648,455	721,020	713,230	753,340	812,395	679,110	636,420	7,774,755
GS No. 2 - Colorado City	126,145	158,494	89,813	152,697	168,115	177,251	169,825	201,369	170,416	143,841	136,921	186,130	1,881,017
GS No. 1 - Public Bldg. & Auth.	57,866	63,269	46,740	27,446	31,338	21,948	28,021	26,341	41,187	48,973	64,807	79,562	537,498
GS No. 1 - Public Bldg&Auth - CC	91,841	107,574	64,728	114,606	95,770	129,241	113,204	130,224	93,831	96,768	95,228	84,108	1,217,143
GS No. 2-Public Bldg&Auth - CC	176,884	214,481	127,784	193,729	241,609	298,646	250,790	323,846	228,515	234,608	164,263	176,709	2,631,864
Irrigation	6,393	6,180	5,574	40,307	87,622	68,834	86,282	37,307	43,080	40,281	26,991	7,112	456,973
Street and Security Lights	4,860	4,820	4,860	4,940	4,900	4,900	4,900	4,900	4,900	4,900	4,860	4,820	58,560
Total Arizona	3,831,727	4,214,294	2,911,472	3,238,509	3,413,568	3,853,848	4,297,324	4,462,945	3,777,780	3,321,903	3,252,986	3,752,019	44,348,385
Total System	25,755,660	25,324,465	19,453,891	18,773,759	18,882,809	19,097,763	21,726,324	20,738,055	18,740,494	17,755,176	18,830,407	23,314,663	248,393,466

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF ADJUSTED WHOLESale POWER COST ADJUSTMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	January	February	March	April	May	June	July	August	September	October	November	December	Total
System Power Cost - Hydro Generation	30,810	32,024	78,297	43,688	34,254	32,300	55,917	46,961	52,021	35,843	38,213	53,092	533,418
Sys Power Cost-PP Fixed Chg (w/o Acq. C	29,492	26,461	26,851	27,372	27,378	27,125	28,870	27,963	25,152	27,124	26,658	(293,244)	7,200
System Power Cost - PurPwr Demand	421,461	378,630	314,440	229,346	244,691	336,945	342,258	301,742	284,840	292,548	296,300	438,354	3,881,555
Total SystemPower Cost	470,100	361,355	314,734	286,375	287,817	336,945	361,074	328,840	268,305	307,999	320,858	468,432	4,112,874
System Power Cost per kWh Sold	951,864	798,470	734,322	586,781	604,140	727,055	788,119	703,506	628,317	663,514	682,127	666,634	8,534,848
Jurisdictional Power Cost	0.038957	0.031530	0.037747	0.031255	0.031994	0.038070	0.036275	0.033923	0.033527	0.037370	0.036225	0.028593	0.034360
Base Cost of Power	141,609	132,877	109,899	101,220	109,214	146,716	155,865	152,075	126,658	124,140	117,840	107,281	1,523,811
Power Cost Recovered in Base Rates	0.025580	0.025580	0.025580	0.025580	0.025580	0.025580	0.025580	0.025580	0.025580	0.025580	0.025580	0.025580	0.025580
Amount to Recover through WPCA	98,016	107,802	74,475	82,841	87,319	96,581	109,926	114,674	96,636	84,974	83,212	95,877	1,134,432
Wholesale Power Cost Through Factor	43,594	25,075	35,424	19,379	21,895	48,135	45,860	37,401	30,022	39,165	34,628	11,305	389,379
	0.011377	0.005950	0.012167	0.005675	0.006414	0.012490	0.010895	0.008343	0.007947	0.011790	0.010645	0.003013	0.008780
Utah													
Residential													
Residential - Kanab City													
Residential - Hildale	8,782	5,049	6,161	3,510	3,611	10,217	9,500	8,055	5,665	6,801	5,624	1,990	74,764
GS No. 1													
GS No. 1 - Kanab City													
GS No. 1 - Hildale	1,841	1,021	1,215	765	838	2,255	2,032	1,863	1,300	1,793	1,406	442	16,592
GS No. 2													
GS No. 2 - Kanab City													
GS No. 2 - Hildale	4,053	2,457	3,167	2,090	2,415	4,408	4,735	3,875	3,209	4,177	3,636	1,144	39,365
GS No. 3													
GS No. 3 - Kanab City													
GS No. 1-Public Bldg&Auth-Hildale	954	542	578	291	280	1,203	850	438	427	838	490	128	7,019
GS No. 2-Public Bldg&Auth-Hildale	105	67	89	50	50	145	128	107	79	106	82	24	1,030
Net Meter - Residential													
Net Meter - Commercial													
Muni Culinary and Irrig. Pumping													
Extra Large Power Service													
Street & Security Lighting													
SL & Security Lights-Kanab City													
Total Utah	15,535	9,135	11,210	6,705	7,194	18,228	17,245	14,358	10,679	13,515	11,238	3,727	138,769
Arizona													
Residential Service													
Residential Service - Colorado City	12,713	6,623	10,997	3,829	4,156	7,691	9,085	6,273	5,971	6,594	7,428	2,831	84,291
GS No. 1	15,668	8,764	10,593	6,090	5,991	18,590	14,855	13,228	9,397	10,889	10,238	3,620	126,025
GS No. 1 - Colorado City	2,856	1,385	2,373	1,023	1,542	3,142	3,197	2,354	2,017	2,716	2,475	631	25,511
GS No. 2	2,344	1,294	1,871	1,045	1,708	3,834	4,128	3,555	2,026	2,575	2,009	583	26,771
GS No. 2 - Colorado City	4,933	3,708	5,659	3,362	4,460	8,112	7,711	5,950	5,987	9,578	7,229	1,918	68,608
GS No. 1 - Public Bldg. & Auth.	1,435	943	1,093	887	1,078	2,214	1,816	1,680	1,354	1,896	1,458	561	16,194
GS No. 1-Public Bldg&Auth - CC	658	376	569	156	201	274	300	220	327	577	690	240	4,588
GS No. 2-Public Bldg&Auth - CC	1,045	840	788	650	614	1,614	1,211	1,086	746	1,141	1,014	253	10,802
Irrigation	2,012	1,276	1,555	1,099	1,550	3,730	2,682	2,702	1,816	2,766	1,749	532	23,470
Street and Security Lights	73	37	68	229	562	872	923	311	342	475	287	21	4,200
Total	43,594	25,075	35,424	18,379	21,895	48,135	45,960	37,401	30,022	39,165	34,628	11,305	390,982
Total System	59,128	34,210	46,633	25,084	29,088	66,362	63,205	51,759	40,701	52,680	45,866	15,032	529,751

GARKANE ENERGY COOPERATIVE, INC.

PURCHASED POWER

FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	January	February	March	April	May	June	July	August	September	October	November	December	Total
NCP KW	0	0	0	0	0	0	0	0	0	0	0	0	0
MCP KW - Tier 1	55,712	48,986	41,052	44,335	35,401	43,946	45,387	40,794	37,360	38,236	42,301	57,399	531,919
CP KW - Tier 1	55,712	48,986	41,052	29,801	32,081	43,809	44,982	40,186	37,360	37,942	37,942	57,399	508,905
CP KW - Tier 2	29,050,602	23,575,084	21,236,381	19,820,403	20,244,580	22,211,874	23,571,969	21,914,275	18,956,481	20,760,645	21,656,422	28,002,223	272,000,929
MCP KW - Tier 2	0	0	0	0	0	0	0	0	0	0	0	0	0
CP KW - Tier 2	1,915	617	0	0	0	4,850	3,343	0	1,485	0	0	4,424	16,644
CP KW - Tier 2	7,120	1,171	0	15,425	3,324	102,860	75,402	172	5,162	0	0	23,496	234,132
Western Resources Billing Units													
Demand KW	18,870	18,870	18,870	13,980	13,980	13,980	13,980	13,980	13,980	18,870	18,870	18,870	197,100
Capacity	11,751	11,581	10,389	6,791	6,674	7,130	7,948	7,661	6,635	10,057	10,586	11,829	109,012
kWh	6,123,161	5,265,633	5,137,086	3,887,840	3,924,618	3,950,672	4,505,418	4,463,159	4,071,982	4,962,670	4,991,742	5,941,301	57,255,283
Member Generation Billing Units - Boulder													
MCP KW	2,616	2,314	2,701	2,737	3,127	2,870	2,512	2,467	2,251	2,627	1,003	2,664	29,889
CP KW	2,843	2,354	2,713	2,737	2,921	2,875	2,701	2,365	2,561	2,634	2,841	2,663	32,008
CP KW	1,901,179	1,611,868	1,938,383	1,907,919	2,191,489	1,917,221	1,835,598	1,867,746	2,086,001	1,996,121	1,949,514	2,041,678	23,246,737
Billing Rate	7.04	7.04	7.04	7.04	7.04	7.04	7.04	7.04	7.04	7.04	7.04	7.04	7.04
Demand Charge - Tier 1	0.016200	0.016200	0.016200	0.016200	0.016200	0.016200	0.016200	0.016200	0.016200	0.016200	0.016200	0.016200	0.016200
Energy Charge - Tier 1	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Demand Charge - Tier 2	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000
Energy Charge - Tier 2	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000
Billing Credit Charges													
Member Generation Credits	(133,403.00)	(133,403.00)	(133,403.00)	(133,403.00)	(133,403.00)	(133,403.00)	(133,403.00)	(133,403.00)	(133,403.00)	(133,403.00)	(133,403.00)	(133,403.00)	(133,403.00)
Monthly Charge - Boulder	(0.007110)	(0.007110)	(0.007110)	(0.007110)	(0.007110)	(0.007110)	(0.007110)	(0.007110)	(0.007110)	(0.007110)	(0.007110)	(0.007110)	(0.007110)
kWh - Boulder	1,901,179	1,611,868	1,938,383	1,907,919	2,191,489	1,917,221	1,835,598	1,867,746	2,086,001	1,996,121	1,949,514	2,041,678	23,246,737
Western Resources Charges													
Demand KW	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35
kWh	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290
Billing - \$													
Demand Billing - Tier 1	392,157	351,922	268,965	210,473	225,818	308,372	316,699	282,869	262,977	287,074	270,826	404,032	3,582,182
Energy Billing - Tier 1	470,620	381,916	344,029	321,091	327,962	359,832	381,866	355,011	307,095	336,322	350,534	489,836	4,406,415
Demand Billing - Tier 2	3,830	1,234	0	0	0	9,700	6,686	0	2,980	0	0	8,648	33,288
Energy Billing - Tier 2	14	2	0	31	7	206	151	0	10	0	0	47	468
Facilities Charge	28,892	25,861	26,251	26,772	26,778	26,525	28,270	27,353	24,552	26,524	26,055	31,156	325,000
Service Fee - Acquired Load	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	900,000
Meter Reading Charge	600	600	600	600	600	600	600	600	600	600	600	600	7,200
Rate Rider GPA-KANAB (Acq. Chg)	13,619	12,190	12,374	12,620	12,623	12,503	13,326	12,898	11,573	12,504	12,282	14,689	153,201
Total Deseret Billing	984,732	846,726	747,219	646,587	668,788	792,738	822,597	753,742	684,798	718,024	735,598	1,004,208	8,407,754
Billing Credits - \$													
Member Generation Billing - Boulder Credits	(133,403)	(133,403)	(133,403)	(133,403)	(133,403)	(133,403)	(133,403)	(133,403)	(133,403)	(133,403)	(133,403)	(133,403)	(133,403)
Monthly Charge - Boulder	(11,460)	(11,460)	(11,460)	(11,460)	(11,460)	(11,460)	(11,460)	(11,460)	(11,460)	(11,460)	(11,460)	(11,460)	(11,460)
kWh Billing - Boulder	4,034	1,683	2,161	4,903	5,641	2,965	5,026	4,907	4,907	5,446	859	4,621	46,136
Deseret Rider GPA - "COG"	(142,887)	(143,180)	(145,024)	(142,066)	(139,344)	(144,069)	(141,426)	(59,620)	(61,990)	(57,856)	(62,191)	(58,928)	(1,298,582)
Adjustment													
Total	25,475	25,475	25,475	18,873	18,873	18,873	18,873	18,873	18,873	25,475	25,475	25,475	266,085
Western Resources Billing Credits													
Demand Billing	20,145	17,324	16,901	12,791	12,912	12,988	14,823	14,782	13,397	16,327	16,423	19,547	188,370
kWh Billing	45,620	42,788	42,376	31,964	31,785	31,871	33,696	33,655	32,270	41,802	41,897	45,021	454,455
Total	(97,267)	(100,382)	(102,649)	(110,402)	(107,559)	(112,199)	(107,731)	(25,965)	(29,720)	(16,054)	(20,294)	(325,000)	(844,127)
Total Billing Credits													
Facilities Charge Rebate													
Facilities Chg Rebate-Twin Cities													
Facilities Charge Rebate-Kanab													
Total PurPwr Invoice Billing	887,465	748,344	644,571	536,185	561,229	680,539	714,867	727,777	655,077	701,970	715,304	415,301	7,988,627

Schedule E-7.10

GARKANE ENERGY COOPERATIVE, INC.

ADJUSTED PURCHASED POWER

FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	January	February	March	April	May	June	July	August	September	October	November	December	Total
NCP KW	0	0	0	0	0	0	0	0	0	0	0	0	0
MCP KW - Tier 1	55,712	49,996	41,052	44,335	35,401	43,846	45,387	40,784	37,360	38,236	42,301	57,399	531,919
CP KW - Tier 1	55,712	49,996	41,052	44,335	35,401	43,846	45,387	40,784	37,360	38,236	42,301	57,399	531,919
MCP KW - Tier 2	29,050,602	23,575,084	21,236,381	19,820,403	20,244,560	22,211,874	23,571,569	21,914,275	18,956,481	20,760,645	21,656,422	29,002,223	272,000,929
CP KW - Tier 2	1,915	617	0	0	0	0	0	0	0	0	0	0	0
kWh - Tier 2	7,120	1,171	0	15,425	3,324	102,660	75,402	172	1,495	0	0	4,424	16,644
Western Resources Billing Units													234,132
Demand kW	18,870	18,870	18,870	13,980	13,980	13,980	13,980	13,980	13,980	18,870	18,870	18,870	187,100
Capacity	11,751	11,581	10,369	6,781	6,674	7,130	7,948	7,661	6,635	10,057	10,586	11,629	109,012
kWh	6,123,161	5,265,633	5,137,086	3,687,840	3,924,618	3,960,672	4,505,418	4,493,159	4,071,982	4,962,670	4,981,742	5,941,301	57,255,283
Member Generation Billing Units - Boulder													
MCP KW	2,616	2,314	2,701	2,737	3,127	2,870	2,512	2,467	2,251	2,627	1,003	2,664	29,889
CP KW	2,616	2,314	2,701	2,737	3,127	2,870	2,512	2,467	2,251	2,627	1,003	2,664	29,889
kWh	1,901,179	1,611,868	1,938,393	1,907,919	2,191,499	1,917,221	1,835,598	1,867,746	2,088,001	1,986,121	1,949,514	2,041,678	23,246,737
Demand Charge - Tier 1	7.04	7.04	7.04	7.04	7.04	7.04	7.04	7.04	7.04	7.04	7.04	7.04	7.04
Energy Charge - Tier 1	0.019200	0.019200	0.019200	0.019200	0.019200	0.019200	0.019200	0.019200	0.019200	0.019200	0.019200	0.019200	0.019200
Demand Charge - Tier 2	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Energy Charge - Tier 2	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000	0.002000
Billing Credit Charges													
Member Generation Credits													
Monthly Charge - Boulder	(101,560.00)	(101,560.00)	(101,560.00)	(101,560.00)	(101,560.00)	(101,560.00)	(101,560.00)	(101,560.00)	(101,560.00)	(101,560.00)	(101,560.00)	(101,560.00)	(1,015,600.00)
kWh - Boulder	(0.005420)	(0.005420)	(0.005420)	(0.005420)	(0.005420)	(0.005420)	(0.005420)	(0.005420)	(0.005420)	(0.005420)	(0.005420)	(0.005420)	(0.005420)
Western Resources Charges													
Demand kW	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35
kWh	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290	0.003290
Demand Billing - Tier 1	392,157	351,922	288,965	210,473	225,618	308,372	316,999	282,869	262,977	267,074	270,826	404,032	3,582,182
Energy Billing - Tier 1	557,772	452,642	407,739	380,552	388,986	426,468	452,582	420,754	363,965	398,504	415,603	556,843	5,222,418
Energy Billing - Tier 2	3,930	1,234	0	0	0	9,700	6,886	0	2,990	0	0	8,848	33,288
Facilities Charge	14	2	0	31	7	206	151	0	10	0	0	47	468
Service Fee - Acquired Load	28,892	25,881	26,251	26,772	28,778	26,525	28,270	27,363	24,552	26,524	26,056	31,156	325,000
Meter Reading Charge	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	800,000
Rate Rider GPA-KANAB (Acq. Chg)	600	600	600	600	600	600	600	600	600	600	600	600	600
Total Deseret Billing	13,619	12,190	12,374	12,623	12,623	12,503	13,326	12,898	11,573	12,504	12,282	14,689	153,201
Billing Credits - \$	1,071,684	919,451	810,929	708,048	729,521	859,373	893,313	819,485	741,667	780,306	800,567	1,091,214	10,223,757
Member Generation Billing - Boulder Credits													
Monthly Charge - Boulder	(101,560)	(101,560)	(101,560)	(101,560)	(101,560)	(101,560)	(101,560)	(101,560)	(101,560)	(101,560)	(101,560)	(101,560)	(1,218,720)
kWh Billing - Boulder	(8,736)	(8,736)	(8,736)	(8,736)	(8,736)	(8,736)	(8,736)	(8,736)	(8,736)	(8,736)	(8,736)	(8,736)	(100,000)
Deseret Rider GPA - "COG"	4,034	1,663	2,161	4,903	9,641	2,965	5,026	2,966	1,810	5,446	839	4,621	46,196
Adjustment	(107,831)	(108,613)	(109,905)	(106,996)	(103,797)	(108,986)	(106,481)	(108,697)	(111,067)	(108,993)	(111,268)	(108,005)	(1,298,582)
Total	25,475	25,475	25,475	18,873	18,873	18,873	18,873	18,873	18,873	25,475	25,475	25,475	266,085
Western Resources Billing Credits													
Demand Billing	20,145	17,324	16,901	12,791	12,912	12,988	14,823	14,782	13,397	16,327	16,423	19,547	188,370
kWh Billing	45,820	42,798	42,376	31,664	31,785	31,871	33,666	33,655	32,270	41,802	41,897	45,021	454,455
Total	(62,211)	(66,815)	(67,530)	(75,334)	(72,012)	(77,116)	(72,785)	(75,042)	(78,797)	(65,131)	(69,370)	(82,983)	(844,127)
Facilities Charge Rebate													(325,000)
Facilities Chg Rebate-Twin Cities													(100,000)
Facilities Charge Rebate-Kanab													(175,000)
Total Purchased Power	1,009,873	853,636	743,399	630,713	657,509	762,258	820,528	744,443	662,870	715,175	731,196	428,231	8,778,630

Schedule E-7.10

GARKANE ENERGY COOPERATIVE, INC.

NOTES TO FINANCIAL STATEMENTS

1. Accounting Method

The accompanying financial statements have been prepared using the accrual basis of accounting. Garkane's accounting records are maintained in accordance with the Uniform System of Accounts as prescribed by the Federal Energy Regulatory Commission.

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2. Depreciation lives and methods employed by major classifications of utility plant

Provision has been made for depreciation of the classified plant on a straight-line basis as follows:

Hydraulic Production Plant	2.00% -	3.79%
Transmission Plant		2.70%
Distribution Plant	2.00% -	4.10%
General Plant:		
Structures and Improvements		3.30%
Office Furniture and Fixtures		10.00%
Transportation Equipment		14.25%
Store Equipment		10.00%
Tools, Shop and Garage Equipment		10.00%
Laboratory Equipment		10.00%
Power Operated Equipment		12.00%
Communication Equipment		10.00%
Miscellaneous		10.00%
		2013/2012 Audit, page 12

GARKANE ENERGY COOPERATIVE, INC.

NOTES TO FINANCIAL STATEMENTS

3. Income taxes

Garkane is a regulated, non-profit Cooperative that is exempt from federal and state income taxes.

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4. Interest rate used to charge interest during construction, if applicable
Not applicable - none charged.

GARKANE ENERGY COOPERATIVE, INC.

PROJECTED INCOME STATEMENT - PRESENT & PROPOSED RATES
DECEMBER 31, 2013

	Test Year 12/31/2013 (a)	Adjustments (b)	Adjusted Test Year (c)	Rate Change (d)	Adjusted Test Year w/ Rate Change (e)
Operating Revenues					
Base Revenue	\$ 22,514,371	\$ (226,228)	\$ 22,288,143	\$ 1,127,953	\$ 23,416,096
PCA Revenue	232,604	103,347	335,951	(335,904)	47
Other	979,194	0	979,194	7,240	986,434
Total	\$ 23,726,169	\$ (122,881)	\$ 23,603,288	\$ 799,289	\$ 24,402,577
Operating Expenses					
Power Production Expense	\$ 533,418	\$ 2,933	\$ 536,351	\$ 0	\$ 536,351
Purchased Power	8,052,288	792,887	8,845,175	0	8,845,175
Transmission O&M	254,926	7,271	262,197	0	262,197
Distribution-Operations	829,486	30,048	859,534	0	859,534
Distribution-Maintenance	1,021,442	34,579	1,056,021	0	1,056,021
Consumer Accounting	820,564	22,258	842,822	0	842,822
Customer Service	90,363	3,505	93,868	0	93,868
Sales	24,262	0	24,262	0	24,262
Administrative & General	4,518,598	398,821	4,917,419	0	4,917,419
Depreciation	2,821,804	49,458	2,871,262	0	2,871,262
Tax	622,724	37,926	660,650	0	660,650
Total	\$ 19,589,875	\$ 1,379,686	\$ 20,969,561	\$ 0	\$ 20,969,561
Return	\$ 4,136,294	\$ (1,502,567)	\$ 2,633,727	\$ 799,289	\$ 3,433,016
Interest & Other Deductions					
Interest L-T Debt	\$ 1,330,259	\$ 111,955	\$ 1,442,214	\$ 0	\$ 1,442,214
Interest-Other	19,770	0	19,770	0	19,770
Other Deductions	27,209	(27,209)	0	0	0
Total	\$ 1,377,238	\$ 84,746	\$ 1,461,984	\$ 0	\$ 1,461,984
Operating Margin	\$ 2,759,056	\$ (1,587,313)	\$ 1,171,743	\$ 799,289	\$ 1,971,033
Non-Operating Margins					
Interest Income	\$ 41,437	\$ 0	\$ 41,437	\$ 0	\$ 41,437
Other Margins	516,880	0	516,880	0	516,880
G&T Capital Credits	6,819	0	6,819	0	6,819
Other Capital Credits	133,633	0	133,633	0	133,633
Total	\$ 698,769	\$ 0	\$ 698,769	\$ 0	\$ 698,769
Net Margins	\$ 3,457,825	\$ (1,587,313)	\$ 1,870,512	\$ 799,289	\$ 2,669,802

GARKANE ENERGY COOPERATIVE, INC.

PROJECTED CHANGES IN FINANCIAL POSITION

	Test Year 12/31/2013	Adjusted Test Year	Proposed Rates
<u>Sources of Funds:</u>			
1. Operations			
Net Margins	\$ 3,457,825	\$ 1,870,512	\$ 2,669,802
Depreciation	2,821,804	2,871,262	2,871,262
Other Capital Credits Assigned	(133,633)	133,633	133,633
Cash Margins From Operations	6,145,996	4,875,407	5,674,697
2. Outside Financing	2,000,000	2,000,000	2,000,000
3. Total Funds Provided	8,145,996	6,875,407	7,674,697
<u>Application of Funds:</u>			
4. Construction Expenditures	\$ 7,037,940	\$ 7,037,940	\$ 7,037,940
5. Other			
Principal Payments	1,446,949	1,446,949	1,446,949
Current Assets	1,229,706	1,229,706	1,229,706
Current Liabilities	(419,726)	(419,726)	(419,726)
Total	2,256,929	2,256,929	2,256,929
6. Total Funds Applied	9,294,869	9,294,869	9,294,869
7. Ending Cash Balance	\$ 1,889,420	\$ 618,831	\$ 1,418,121
8. Details of Financing	\$ (1,148,873)	\$ (2,419,462)	\$ (1,620,172)

GARKANE ENERGY COOPERATIVE, INC.

PROJECTED CONSTRUCTION REQUIREMENTS

	Production	Transmission	Distribution	Headquarters	General	Other	Total	CWIP	Total Additions
December 31, 2011	\$ 792,983	\$ 5,617,759	\$ 3,721,598	\$	\$ 1,042,643	\$	\$ 11,174,983	\$ (5,398,919)	\$ 5,776,064
December 31, 2012		2,176,010	7,392,006		943,398		10,511,414	(4,420,860)	6,090,554
December 31, 2013		95,864	3,701,403	72,985	702,465		4,572,717	3,117,334	7,690,051
Projected 12/31/2014			7,734,000	50,000	450,000		8,234,000	(2,234,000)	6,000,000
Projected 12/31/2015			7,734,000	50,000	450,000		8,234,000	(2,234,000)	6,000,000
Projected 12/31/2016			7,734,000	50,000	450,000		8,234,000	(2,234,000)	6,000,000
Projected 12/31/2017			7,734,000	50,000	450,000		8,234,000	(2,234,000)	6,000,000
Projected 12/31/2018			7,734,000	50,000	450,000		8,234,000	(2,234,000)	6,000,000
Average			7,734,000	50,000	450,000		8,234,000	(2,234,000)	6,000,000

Projected Numbers are Net of CIAC

GARKANE ENERGY COOPERATIVE, INC.

ASSUMPTIONS USED IN DEVELOPING PROJECTION

- 1 Customer growth
No adjustment for customer growth was made.
- 2 Growth in consumption and customer demand
No adjustment to test year customer usage was made.
- 3 Changes in expenses
No projections were made of expenses beyond pro forma adjustments for known and measurable changes. Adjustments are summarized on Schedule C-2.0.
- 4 Construction requirements, including production reserves and changes in plant capacity
Estimated construction requirements are for distribution and general plant.
- 5 Capital structure changes
Adjustments to test year revenues and operating expenses were made known and measurable changes. Subsequent to the test year, two new loans were taken out by the cooperative. See Schedule D-2.0.
- 6 Financing costs, interest rates
Interest rates for two notes repriced subsequent to the test year. Other interest rates were not changed, only applied to test year ending principal balances plus interest on two new loans taken out by the cooperative after the end of the test year. See Schedule D-2.0

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost Allocation Summary

Account	Total	RESIDENTIAL	GS1	GS2	GS3	IRRIIG	UT Extra LP	LIGHTS
Rate Base	60,782,310	36,047,879	12,139,625	8,676,257	540,816	1,147,576	1,827,676	402,477
Operating Revenues	23,603,288	12,319,387	4,218,432	4,651,365	267,627	461,583	1,550,750	134,141
Operating Expenses	20,969,561	12,185,583	3,972,571	3,243,729	170,448	367,550	885,733	143,844
Return	2,633,727	133,803	245,861	1,407,635	97,179	93,932	665,017	-9,703
Rate of Return	4.333 %	0.371 %	2.025 %	16.224 %	17.969 %	8.185 %	36.386 %	-2.411 %
Relative ROR	1.000	0.086	0.467	3.744	4.147	1.889	8.397	-0.556
Interest	1,461,984	858,351	292,860	216,344	12,953	27,840	45,980	7,653
Operating Margins	1,171,743	-724,547	-46,999	1,191,291	84,225	66,092	619,036	-17,356
Margin as % Revenue	4.964 %	-5.881 %	-1.114 %	25.612 %	31.471 %	14.319 %	39.919 %	-12.939 %
Operating TIER	1.801	0.156	0.840	6.506	7.502	3.374	14.463	-1.268
Revenue Deficiencies								
Uniform ROR = 5.649400	800,108	1,902,685	439,954	-917,479	-66,626	-29,101	-561,764	32,440
Deficiency % Rev	3.390 %	15.445 %	10.429 %	-19.725 %	-24.895 %	-6.305 %	-36.225 %	24.184 %
Uniform % Mar = 8.080235	800,108	1,871,178	421,953	-887,132	-68,103	-31,326	-537,134	30,674
Deficiency % Rev	3.390 %	15.189 %	10.003 %	-19.073 %	-25.447 %	-6.787 %	-34.637 %	22.867 %

Supporting Schedules:
G-3.0, G-3.2, G-4.0

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost Allocation Summary

Account	Total	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Rate Base	60,782,310	5,638,088	1,883,640	1,978,230	118,352	33,493	9,651,805
Operating Revenues	23,603,288	2,588,461	758,943	1,158,013	44,245	12,230	4,561,894
Operating Expenses	20,969,561	2,188,659	696,401	797,863	37,831	11,804	3,732,560
Return	2,633,727	399,802	62,541	360,150	6,414	425	829,334
Rate of Return	4.333 %	7.091 %	3.320 %	18.206 %	5.420 %	1.270 %	8.593 %
Relative ROR	1.000	1.637	0.766	4.202	1.251	0.293	1.983
Interest	1,461,984	136,272	45,661	49,354	2,863	646	234,798
Operating Margins	1,171,743	263,529	16,880	310,795	3,551	-221	594,535
Margin as % Revenue	4.964 %	10.181 %	2.224 %	26.839 %	8.027 %	-1.807 %	13.033 %
Operating TIER	1.801	2.934	1.370	7.297	2.240	0.658	3.532
Revenue Deficiencies							
Uniform ROR = 5.649400	800,108	-81,284	43,872	-248,391	271	1,466	-284,065
Deficiency % Rev	3.390 %	-3.140 %	5.781 %	-21.450 %	0.613 %	11.994 %	-6.227 %
Uniform % Mar = 8.080235	800,108	-59,156	48,350	-236,320	25	1,315	-245,784
Deficiency % Rev	3.390 %	-2.265 %	6.371 %	-20.407 %	0.058 %	10.757 %	-5.388 %

Supporting Schedules:
G-3.1, G-3.3, G-4.1

GARKANE ENERGY COOPERATIVE, INC.
PROPOSED RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost Allocation Summary

Account	Total	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Rate Base	60,782,309	36,047,879	12,139,625	8,676,257	540,816	1,147,576	1,827,676	402,477
Operating Revenues	24,402,577	12,930,081	4,395,898	4,653,774	267,950	462,434	1,554,010	138,428
Operating Expenses	20,969,561	12,186,990	3,972,827	3,242,600	170,384	367,542	885,373	143,841
Return	3,433,016	743,090	423,070	1,411,173	97,566	94,891	668,637	-5,413
Rate of Return	5.648 %	2.061 %	3.485 %	16.265 %	18.041 %	8.269 %	36.584 %	-1.345 %
Relative ROR	1.000	0.365	0.617	2.880	3.194	1.464	6.477	-0.238
Interest	1,461,984	858,351	292,860	216,344	12,953	27,840	45,980	7,653
Operating Margins	1,971,032	-115,260	130,209	1,194,829	84,613	67,050	622,657	-13,067
Margin as % Revenue	8.077 %	-0.891 %	2.962 %	25.674 %	31.578 %	14.500 %	40.068 %	-9.440 %
Operating TIER	2.348	0.866	1.445	6.523	7.532	3.408	14.542	-0.707
Revenue Deficiencies								
Uniform ROR = 5.649400	819	1,293,398	262,745	-921,016	-67,013	-30,060	-565,384	28,151
Deficiency % Rev	0.003 %	10.003 %	5.977 %	-19.791 %	-25.010 %	-6.500 %	-36.382 %	20.336 %
Uniform % Mar = 8.080234	819	1,262,015	244,766	-890,769	-68,496	-32,294	-540,786	26,384
Deficiency % Rev	0.003 %	9.760 %	5.568 %	-19.141 %	-25.563 %	-6.984 %	-34.799 %	19.060 %

Supporting Schedules:
G-3.0, G-3.2, G-4.0

GARKANE ENERGY COOPERATIVE, INC.
PROPOSED RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost Allocation Summary

Account	Total	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Rate Base	60,782,309	5,638,088	1,883,640	1,978,230	118,352	33,493	9,651,805
Operating Revenues	24,402,576	2,519,713	750,908	1,082,728	44,608	11,807	4,409,765
Operating Expenses	20,969,561	2,187,482	696,148	797,028	37,822	11,798	3,730,280
Return	3,433,015	332,230	54,759	285,699	6,785	8	679,484
Rate of Return	5.648 %	5.893 %	2.907 %	14.442 %	5.734 %	0.026 %	7.040 %
Relative ROR	1.000	1.043	0.515	2.557	1.015	0.005	1.246
Interest	1,461,984	136,272	45,661	49,354	2,863	646	234,798
Operating Margins	1,971,031	195,958	9,098	236,344	3,922	-637	444,686
Margin as % Revenue	8.077 %	7.777 %	1.212 %	21.829 %	8.793 %	-5.400 %	10.084 %
Operating TIER	2.348	2.438	1.199	5.789	2.370	0.014	2.894
Revenue Deficiencies							
Uniform ROR = 5.648100	30	-13,785	51,630	-173,967	-101	1,882	-134,341
Deficiency % Rev	0.000 %	-0.547 %	6.876 %	-16.067 %	-0.227 %	15.947 %	-3.046 %
Uniform % Mar = 8.077258	30	8,230	56,084	-161,972	-347	1,731	-96,274
Deficiency % Rev	0.000 %	0.327 %	7.469 %	-14.960 %	-0.779 %	14.661 %	-2.183 %

Supporting Schedules:
G-3.1, G-3.3, G-4.1

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - RATE BASE

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Plant in Service	97,516,737	109	57,253,432	19,534,296	14,430,518	863,998	1,857,015	3,066,951	510,527
Accum Deprec-Product	-3,557,778	101	-1,781,469	-624,784	-759,263	-25,533	-66,980	-288,833	-10,915
Accum Deprec-Trans	-8,091,176	102	-4,081,955	-1,600,718	-1,620,513	-68,551	-148,062	-568,121	-3,256
Accum Deprec-Distrib	-20,384,864	106	-12,421,901	-4,201,134	-2,742,456	-186,598	-401,310	-332,749	-98,716
Accum Deprec-gain/loss	2,633,144	108	1,736,731	508,055	247,809	23,899	46,392	31,071	39,188
Accum	-8,406,962	105	-5,122,941	-1,732,598	-1,131,022	-76,955	-165,505	-137,230	-40,712
Retirement Work	14,993	107	8,621	3,022	2,353	132	289	521	54
Subtotal	59,724,094	137*	35,590,519	11,886,139	8,427,426	530,391	1,121,839	1,771,611	396,169
Net Plant			59,592 %	19,902 %	14,111 %	0.888 %	1.878 %	2.966 %	0.663 %
Materials & Supplies	3,186,846	107	1,832,518	642,300	500,232	28,121	61,445	110,676	11,555
Prepayments	157,477	134	103,866	30,385	14,820	1,429	2,774	1,858	2,344
Consumer Deposits	-661,617	23	-544,900	-91,787	-11,229	-4,790	-7,160	-52	-1,700
Const. Advances	-1,624,491	107	-934,124	-327,412	-254,993	-14,334	-31,321	-56,417	-5,890
Subtotal	1,058,215	138*	457,360	253,486	248,831	10,425	25,738	56,066	6,308
Working Capital			43,220 %	23,954 %	23,514 %	0.985 %	2.432 %	5,298 %	0.596 %
Total	60,782,309	139*	36,047,879	12,139,625	8,676,257	540,816	1,147,577	1,827,677	402,477
RATE BASE			59,307 %	19,972 %	14,274 %	0.890 %	1.888 %	3,007 %	0.662 %

Supporting Schedules:
 B-2.0, B-5.0, B-5.1, B-5.2

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - RATE BASE

Accounts	Total	A.F.	AZ-RES1	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Plant in Service	97,516,737	109	9,089,594	3,045,679	3,292,059	190,992	43,112	15,661,435
Accum Deprec-Product	-3,557,778	101	-346,148	-109,505	-177,488	-6,601	-846	-640,588
Accum Deprec-Trans	-8,091,176	102	-791,570	-257,907	-375,394	-16,222	-256	-1,441,349
Accum Deprec-Distrib	-20,384,864	106	-1,877,568	-645,744	-619,070	-40,536	-8,603	-3,191,521
Accum Deprec-gain/loss	2,633,144	108	234,266	75,653	55,702	4,798	3,207	373,626
Accum	-8,406,962	106	-774,332	-266,312	-255,312	-16,718	-3,548	-1,316,221
Retirement Work	14,993	107	1,408	475	538	30	5	2,455
Subtotal	59,724,094	137*	5,535,651	1,842,339	1,921,034	115,743	33,070	9,447,837
Net Plant			9,269%	3.085%	3.217%	0.194%	0.055%	15.819%
Materials & Supplies	3,186,846	107	299,304	100,863	114,287	6,314	996	521,763
Prepayments	157,477	134	14,010	4,524	3,331	287	192	22,345
Consumer Deposits	-661,617	23	-58,307	-12,671	-2,163	-773	-258	-74,171
Const. Advances	-1,624,491	107	-152,570	-51,415	-58,257	-3,219	-508	-265,968
Subtotal	1,058,215	138*	102,438	41,302	57,197	2,610	423	203,969
Working Capital			9.680%	3.903%	5.405%	0.247%	0.040%	19.275%
Total	60,782,309	139*	5,638,088	1,883,641	1,978,231	118,353	33,493	9,651,806
RATE BASE			9.276%	3.099%	3.255%	0.195%	0.055%	15.879%

Supporting Schedules:
 B-2.0, B-5.0, B-5.1, B-5.2

CoOPTIONS:® Cost of Service
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GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - PLANT

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
PRODUCTION PLANT									
Production Plant	7,013,251	1	3,511,711	1,231,603	1,496,694	50,333	132,033	569,361	21,517
Total	7,013,251	101*	3,511,711 50.073 %	1,231,603 17.561 %	1,496,694 21.341 %	50,333 0.718 %	132,033 1.883 %	569,361 8.118 %	21,517 0.307 %
PRODUCTION PLANT									
Transmission Plant	19,923,691	7	10,141,523	3,976,947	4,026,127	170,313	367,857	1,232,833	8,091
Trans Direct	178,650	8	0	0	0	0	0	178,650	0
Total	20,102,341	102*	10,141,523 50.449 %	3,976,947 19.784 %	4,026,127 20.028 %	170,313 0.847 %	367,857 1.830 %	1,411,483 7.021 %	8,091 0.040 %
TRANSMISSION									
DISTRIBUTION PLANT									
360 Land	639,350	9	325,441	127,620	129,198	5,465	11,805	39,562	260
362 Station Equip	14,254,059	9	7,255,577	2,845,238	2,880,423	121,848	263,177	882,009	5,788
364/5 OH 1-Phase	4,770,026	11	4,431,165	277,288	8,796	19,687	19,268	0	13,823
364/5 OH 3PH Ext	3,069,706	12	0	2,361,312	415,338	96,982	196,073	0	0
364/5 OH 3PH Backbn	13,471,293	10	7,309,425	2,866,354	2,901,800	122,752	265,130	0	5,831
Subtotal	21,311,025	103*	11,740,590 55.092 %	5,504,955 25.831 %	3,325,935 15.607 %	239,421 1.123 %	480,471 2.255 %	0 0.000 %	19,654 0.092 %
Acct 364/5 OH Line									
367 UG 1-Phase	2,890,756	13	2,890,756	0	0	0	0	0	0
367 UG 3PH Backbn	680,467	10	369,216	144,786	146,577	6,200	13,392	0	295
Subtotal	3,571,223	104*	3,259,972 91.284 %	144,786 4.054 %	146,577 4.104 %	6,200 0.174 %	13,392 0.375 %	0 0.000 %	295 0.008 %
Acct 367 UG Line									
368 Regs, Capac, Etc	691,941	10	375,442	147,228	149,048	6,305	13,618	0	300
368 Transf Min Cost	5,972,393	14	4,923,089	829,279	101,449	43,279	64,686	0	10,611
368 Transf Remain	4,321,222	15	2,559,371	884,502	675,404	34,571	167,375	0	0

Supporting Schedules:
C-2.1, C-2.2, C-2.4, D-2.0, E-5.0

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - PLANT

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Subtotal									
Acct 368 Transformer	10,985,556	105*	7,857,902 71.529 %	1,861,009 16.941 %	925,901 8.428 %	84,155 0.766 %	245,678 2.236 %	0 0.000 %	10,911 0.099 %
369 Services	3,129,009	16	2,333,741	591,653	119,566	30,774	45,995	0	7,280
370 Meters	2,337,856	17	1,630,092	560,070	67,822	28,933	50,938	0	0
371 Install on Cons	121,536	18	0	0	0	0	0	0	121,536
373 Lighting	107,679	18	0	0	0	0	0	0	107,679
Total									
DISTRIBUTION PLANT	56,457,293	106*	34,403,314 60.937 %	11,635,331 20.609 %	7,595,422 13.453 %	516,797 0.915 %	1,111,457 1.969 %	921,570 1.632 %	273,402 0.484 %
SUBTOTAL									
Trans & Distri Plant	83,572,885	107*	48,056,548 57.503 %	16,843,881 20.155 %	13,118,243 15.697 %	737,442 0.882 %	1,611,348 1.928 %	2,902,414 3.473 %	303,009 0.363 %
OTHER PLANT									
General Plant	13,943,852	134	9,196,883	2,690,415	1,312,275	126,555	245,668	164,537	207,518
Total									
OTHER PLANT	13,943,852	108*	9,196,883 65.957 %	2,690,415 19.295 %	1,312,275 9.411 %	126,555 0.908 %	245,668 1.762 %	164,537 1.180 %	207,518 1.488 %
Total									
PLANT	97,516,737	109*	57,253,432 58.711 %	19,534,296 20.032 %	14,430,518 14.798 %	863,998 0.886 %	1,857,015 1.904 %	3,066,951 3.145 %	510,527 0.524 %

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - REVENUES

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Base Revenue	22,288,143	24	11,577,674	3,974,890	4,394,772	259,420	440,869	1,507,826	132,693
PCA Revenue	335,951	25	167,780	59,172	104,278	0	4,200	0	520
Subtotal									
Energy Sales Revenue	22,624,094	110*	11,745,454	4,034,062	4,499,050	259,420	445,069	1,507,826	133,213
			51.916 %	17.831 %	19.886 %	1.147 %	1.967 %	6.665 %	0.589 %
450 Forfeited Disc	36,823	22	30,327	5,108	625	267	398	3	95
451 Misc Service Chg	68,237	22	56,199	9,467	1,158	494	738	5	175
454 Rent Electric Pr	52,795	103	29,086	13,638	8,240	593	1,190	0	49
456 Other	127,934	22	105,365	17,748	2,171	926	1,384	10	329
456.01 Wheeling Rev	693,405	7	352,956	138,410	140,121	5,927	12,803	42,906	282
Subtotal									
Other Revenue	979,194	111*	573,933	184,371	152,315	8,207	16,514	42,924	929
			58.613 %	18.829 %	15.555 %	0.838 %	1.686 %	4.384 %	0.095 %
Total									
REVENUES	23,603,288	112*	12,319,387	4,218,433	4,651,365	267,627	461,583	1,550,750	134,142
			52.194 %	17.872 %	19.706 %	1.134 %	1.956 %	6.570 %	0.568 %

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - EXPENSES

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
GEN&TRANS O&M									
Power Gen O&M	536,351	7	273,012	107,060	108,384	4,585	9,903	33,188	218
Transmission O&M	262,197	7	133,463	52,337	52,984	2,241	4,841	16,224	106
Total									
GEN&TRANS O&M	798,548	113*	406,476	159,397	161,368	6,826	14,744	49,412	324
			50.902 %	19.961 %	20.208 %	0.855 %	1.846 %	6.188 %	0.041 %
DISTIB-OPERATIONS									
580 Supervision	33,319	106	20,304	6,867	4,483	305	656	544	161
581 Load Dispatch	37,234	2	19,000	7,421	7,509	317	676	2,300	11
582 Station Expenses	14,511	9	7,386	2,897	2,932	124	268	898	6
583 OH Line	132,137	103	72,796	34,133	20,622	1,485	2,979	0	122
584 UG Line	21,223	104	19,373	860	871	37	80	0	2
585 Street Lights	7,852	18	0	0	0	0	0	0	0
586 Meter Expense	296,194	17	206,524	70,958	8,593	3,666	6,454	0	7,852
587 Customer Install	3,729	18	0	0	0	0	0	0	0
588 Miscellaneous	298,648	106	181,987	61,549	40,178	2,734	5,879	0	3,729
589 Rents	14,685	106	8,949	3,026	1,976	134	289	4,875	1,446
Total								240	71
DISTIB-OPERATIONS	859,532	114*	536,319	187,711	87,164	8,801	17,281	8,856	13,400
			62.397 %	21.839 %	10.141 %	1.024 %	2.011 %	1.030 %	1.559 %
DISTRIB-MAINTENANCE									
590 Supervision	31,442	106	19,160	6,480	4,230	288	619	513	152
592 Maint Station Eq	158,105	9	80,478	31,559	31,949	1,352	2,919	9,783	64
593 Maint OH Lines	446,706	103	246,098	115,391	69,716	5,019	10,071	0	412
594 Maint UG Lines	174,602	104	159,385	7,079	7,166	303	655	0	14
595 Maint Transform	24,170	105	17,289	4,095	2,037	185	541	0	24
596 Maint Lights	19,864	18	0	0	0	0	0	0	0
597 Maint Meters	128,046	17	89,281	30,675	3,715	1,585	2,790	0	19,864
598 Miscellaneous	73,087	106	44,537	15,063	9,833	669	1,439	0	0
Total								1,193	354
DISTRIB-MAINTENAN	1,056,022	115*	656,227	210,341	128,646	9,400	19,033	11,489	20,885
			62.141 %	19.918 %	12.182 %	0.890 %	1.802 %	1.088 %	1.978 %

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - EXPENSES

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
CONSUMER ACCOUNTING									
901 Supervision	7,816	116	6,237	1,236	152	65	113	0	12
902 Meter Reading	316,223	19	241,792	58,511	6,804	3,421	5,695	0	0
903 Customer Records	518,783	20	424,535	73,535	9,467	3,557	6,388	38	1,262
Subtotal	835,006	116*	666,327	132,046	16,271	6,978	12,083	38	1,262
Subtotal Cust Record			79,799 %	15.814 %	1.949 %	0.836 %	1.447 %	0.005 %	0.151 %
Total	842,822	117*	672,564	133,282	16,423	7,044	12,196	39	1,274
CONSUMER			79,799 %	15.814 %	1.949 %	0.836 %	1.447 %	0.005 %	0.151 %
CUSTOMER SERVICE									
907 Supervision	127	21	105	18	2	1	1	0	0
908 Customer Assist	64,241	21	52,908	8,912	1,090	465	695	5	165
909 Info & Adv	27,941	21	23,012	3,876	474	202	302	2	72
910 Miscellaneous	1,559	21	1,284	216	26	11	17	0	4
Total	93,868	118*	77,309	13,022	1,593	680	1,016	7	241
CUSTOMER SERVICE			82.359 %	13.873 %	1.697 %	0.724 %	1.082 %	0.007 %	0.257 %
SALES									
912 Demo & Selling	24,062	21	19,817	3,338	408	174	260	2	62
913 Advertising	200	21	165	28	3	1	2	0	1
Total	24,262	119*	19,982	3,366	412	176	263	2	62
SALES			82.359 %	13.874 %	1.698 %	0.725 %	1.084 %	0.008 %	0.256 %
ADMIN & GENERAL									
920 Salaries	719,584	134	474,613	138,841	67,721	6,531	12,678	8,491	10,709
921 Office & Expenss	267,882	134	176,686	51,687	25,211	2,431	4,720	3,161	3,987
923 Outside Services	82,823	110	42,998	14,768	16,470	950	1,629	5,520	488
924 Prop Insurance	209,918	107	120,708	42,308	32,950	1,852	4,047	7,290	761

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - EXPENSES

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
925 Injury & Damages	164,988	134	108,820	31,834	15,527	1,497	2,907	1,947	2,455
926 Pension & Benefit	2,323,446	134	1,532,465	448,300	218,663	21,088	40,935	27,417	34,578
928 Regulatory	31,999	110	16,613	5,706	6,363	367	629	2,133	188
930 Miscellaneous	834,049	134	550,110	160,927	78,494	7,570	14,695	9,842	12,413
932 Maint General Pl	282,730	134	186,479	54,552	26,608	2,566	4,981	3,336	4,208
Total									
ADMIN & GENERAL	4,917,419	120*	3,209,491	948,923	488,007	44,852	87,222	69,136	69,787
			65,268 %	19,297 %	9,924 %	0,912 %	1,774 %	1,406 %	1,419 %
SUBTOTAL									
Subtotal O&M	8,592,473	121*	5,578,368	1,656,042	883,614	77,779	151,754	138,942	105,974
			64,922 %	19,273 %	10,284 %	0,905 %	1,766 %	1,617 %	1,233 %
PURCHASED POWER									
Capacity	3,881,555	2	1,980,706	773,669	782,845	33,042	70,461	239,726	1,106
Delivery	-1,211,520	6	-616,686	-241,830	-244,821	-10,356	-22,369	-74,966	-492
Energy/Fuel	5,285,259	1	2,646,462	928,149	1,127,924	37,931	99,502	429,076	16,215
Subtotal									
Remainder PP	7,955,294	122*	4,010,483	1,459,987	1,665,948	60,616	147,594	593,836	16,829
			50,413 %	18,352 %	20,941 %	0,762 %	1,855 %	7,465 %	0,212 %
Direct-Kanab	-21,799	3	-9,569	-7,547	-4,596	-87	0	0	0
Direct-Twin Cities	800,000	4	475,986	144,942	179,072	0	0	0	0
Direct-LP 15	46,136	5	0	0	0	0	0	46,136	0
Load Dispatching	59,566	2	30,396	11,873	12,013	507	1,081	3,679	17
Subtotal									
PURCHASED POWER	8,839,197	123*	4,507,296	1,609,255	1,852,437	61,036	148,675	643,651	16,846
			50,992 %	18,206 %	20,957 %	0,691 %	1,682 %	7,282 %	0,191 %
Greenway Program	1,825	123	931	332	382	13	31	133	3
Other	4,154	123	2,118	756	871	29	70	302	8
Total									
PURCHASED POWER	8,845,176	124*	4,510,345	1,610,344	1,853,690	61,077	148,776	644,087	16,858
			50,992 %	18,206 %	20,957 %	0,691 %	1,682 %	7,282 %	0,191 %

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - EXPENSES

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
DEPRECIATION									
403.2 Production	163,715	101	81,976	28,750	34,938	1,175	3,082	13,291	502
403.4 Transmission	467,668	102	235,936	92,521	93,665	3,962	8,558	32,837	188
403.5 Distribution	1,645,365	106	1,002,634	339,095	221,357	15,061	32,392	26,858	7,968
403.6 General	594,514	134	392,121	114,709	55,951	5,396	10,474	7,015	8,848
Total	2,871,262	125*	1,712,667	575,075	405,912	25,594	54,506	80,001	17,506
DEPRECIATION			59.649 %	20.029 %	14.137 %	0.891 %	1.898 %	2.786 %	0.610 %
TAXES									
408.1 Property Tax	603,933	109	354,577	120,978	89,370	5,351	11,501	18,994	3,162
408.3 FICA	1,285	136	848	248	121	12	23	15	19
408.4 State Unemploy	3	136	2	1	0	0	0	0	0
408.45 Sales Tax	21,198	110	11,005	3,780	4,215	243	417	1,413	125
408.6 Gross Receipts	34,231	110	17,771	6,104	6,807	393	673	2,281	202
Total	660,650	126*	384,203	131,110	100,514	5,998	12,614	22,703	3,507
TAXES			58.155 %	19.846 %	15.214 %	0.908 %	1.909 %	3.436 %	0.531 %
Total									
EXPENSES	20,969,561	127*	12,185,583	3,972,571	3,243,729	170,448	367,650	885,733	143,845
			58.111 %	18.944 %	15.469 %	0.813 %	1.753 %	4.224 %	0.686 %

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - PAYROLL

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
PAYROLL-G&T O&M									
Power Generation	58,304	7	29,678	11,638	11,782	498	1,076	3,608	24
556 Load Dispatch	37,466	2	19,118	7,468	7,556	319	680	2,314	11
Transmission	144,532	7	73,569	28,850	29,207	1,236	2,669	8,943	59
Total									
PAYROLL-G&T O&M	240,302	128*	122,366	47,956	48,545	2,053	4,425	14,865	93
			50.922 %	19.957 %	20.202 %	0.854 %	1.841 %	6.186 %	0.039 %
PAYROLL-DIST OPER									
580 Supervision	29,015	106	17,681	5,980	3,904	266	571	474	141
581 Load Dispatch	375	10	203	80	81	3	7	0	0
582 Station Expense	257	9	131	51	52	2	5	16	0
583 OH Lines	85,941	103	47,346	22,200	13,413	966	1,938	0	79
584 UG Lines	7,409	104	6,763	300	304	13	28	0	1
585 St Lights	6,797	18	0	0	0	0	0	0	6,797
586 Meter Expense	224,983	17	156,871	53,898	6,527	2,784	4,902	0	0
587 Cust Install	6,438	18	0	0	0	0	0	0	6,438
588 Miscellaneous	235,741	106	143,653	48,584	31,715	2,158	4,641	3,848	1,142
598 Rents	318	105	227	54	27	2	7	0	0
Total									
PAYROLL-DIST OPER	597,274	129*	372,877	131,147	56,022	6,194	12,099	4,338	14,598
			62.430 %	21.958 %	9.380 %	1.037 %	2.026 %	0.726 %	2.444 %
PAYROLL-DIST MAINT									
590 Supervision	27,628	106	16,836	5,694	3,717	253	544	451	134
592 Maint Station Eq	60,854	9	30,976	12,147	12,297	520	1,124	3,766	25
593 Maint OH Lines	295,015	103	162,529	76,207	46,042	3,314	6,651	0	272
594 Maint UG Lines	131,301	104	119,857	5,323	5,389	228	492	0	11
595 Maint Transform	26,477	105	18,939	4,485	2,232	203	592	0	26
596 Maint Lights	14,137	18	0	0	0	0	0	0	14,137
597 Maint Meters	95,659	17	66,699	22,917	2,775	1,184	2,084	0	0
698 Miscellaneous	36,280	106	22,108	7,477	4,881	332	714	592	176
Total									
PAYROLL-DIST MAINT	687,351	130*	437,943	134,250	77,333	6,034	12,202	4,809	14,780
			63.715 %	19.532 %	11.251 %	0.878 %	1.775 %	0.700 %	2.150 %

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - PAYROLL

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
PAYROLL-CONS ACCTS									
901 Supervision	6,844	131	5,460	1,083	133	57	99	0	10
902 Meter Reading	166,180	19	127,065	30,748	3,576	1,798	2,993	0	0
903 Customer Records	269,407	20	220,464	38,187	4,916	1,847	3,317	20	655
Subtotal	435,587	131*	347,529	68,936	8,492	3,645	6,310	20	655
Subt Cons Acct Payrl			79,784 %	15.826 %	1.950 %	0.837 %	1.449 %	0.005 %	0.150 %
Total	442,431	132*	352,989	70,019	8,625	3,702	6,409	20	666
PAYROLL-CONS			79,784 %	15.826 %	1.949 %	0.837 %	1.449 %	0.005 %	0.151 %
PAYROLL-CUST SERV									
907 Supervision	115	21	95	16	2	1	1	0	0
908 Customer Assist	56,569	21	46,590	7,848	960	410	612	4	145
909 Info&Instruct Ad	11,637	21	9,584	1,614	197	84	126	1	30
910 Miscellaneous	1,342	21	1,105	186	23	10	15	0	3
Total	69,663	133*	57,374	9,664	1,182	504	754	5	179
PAYROLL-CUST			82.359 %	13.873 %	1.697 %	0.723 %	1.082 %	0.007 %	0.257 %
SUBTOTAL									
Subtotal Payroll	2,037,021	134*	1,343,549	393,036	191,707	18,488	35,889	24,037	30,316
			65.957 %	19.295 %	9.411 %	0.908 %	1.762 %	1.180 %	1.488 %
PAYROLL-ADMIN & GEN									
920 Salaries	659,075	134	434,703	127,166	62,026	5,982	11,612	7,777	9,809
921 Office Expenses	23,265	134	15,345	4,489	2,190	211	410	275	346
925 Injury&Damages	49,410	134	32,589	9,533	4,650	448	871	583	735
926 Pension&Benefits	66,276	134	43,713	12,788	6,237	602	1,168	782	986
930 Miscellaneous	190,354	134	125,551	36,728	17,914	1,728	3,354	2,246	2,833
935 Maint General Pl	101,999	134	67,275	19,680	9,599	926	1,797	1,204	1,518
Total	1,090,379	135*	719,176	210,385	102,617	9,896	19,211	12,866	16,227
PAYROLL-ADMIN &			65.957 %	19.295 %	9.411 %	0.908 %	1.762 %	1.180 %	1.488 %

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - PAYROLL

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Total									
PAYROLL	3,127,400	136*	2,062,725	603,420	294,324	28,385	55,100	36,903	46,543
			65.957 %	19.295 %	9.411 %	0.908 %	1.762 %	1.180 %	1.488 %

EXISTING 04/20/15 @ 14:18

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - INTEREST

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Interest LT Debt	1,442,214	109	846,744	288,901	213,419	12,778	27,464	45,358	7,550
Interest-Other	19,770	109	11,607	3,960	2,926	175	376	622	104
Other Deductions	0	109	0	0	0	0	0	0	0
Total	1,461,984	140*	858,351	292,861	216,344	12,953	27,841	45,980	7,654
INTEREST			58.711 %	20.032 %	14.798 %	0.886 %	1.904 %	3.145 %	0.524 %

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - PLANT

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
PRODUCTION PLANT								
Production Plant	7,013,251	1	682,343	215,862	349,873	13,012	1,667	1,262,756
Total								
PRODUCTION PLANT	7,013,251	101*	682,343 9.729 %	215,862 3.078 %	349,873 4.989 %	13,012 0.186 %	1,667 0.024 %	1,262,756 18.005 %
TRANSMISSION PLANT								
Transmission Plant	19,923,691	7	1,966,637	640,763	932,659	40,303	637	3,580,998
Trans Direct	178,650	8	0	0	0	0	0	0
Total								
TRANSMISSION	20,102,341	102*	1,966,637 9.783 %	640,763 3.188 %	932,659 4.640 %	40,303 0.200 %	637 0.003 %	3,580,998 17.814 %
DISTRIBUTION PLANT								
360 Land	639,350	9	63,109	20,562	29,929	1,293	20	114,914
362 Station Equip	14,254,059	9	1,406,996	458,423	667,255	28,834	456	2,561,963
364/5 OH 1-Phase	4,770,026	11	474,154	34,347	1,675	2,513	2,094	514,784
364/5 OH 3PH Ext	3,069,706	12	0	345,764	80,116	18,975	0	444,854
364/5 OH 3PH Backbn	13,471,293	10	1,417,438	461,825	672,207	29,048	459	2,580,977
Subtotal								
Acct 364/5 OH Line	21,311,025	103*	1,891,593 8.876 %	841,935 3.951 %	753,998 3.538 %	50,536 0.237 %	2,553 0.012 %	3,540,615 16.614 %
367 UG 1-Phase	2,890,756	13	309,324	0	0	0	0	309,324
367 UG 3PH Backbn	680,467	10	71,598	23,328	33,955	1,467	23	130,371
Subtotal								
Acct 367 UG Line	3,571,223	104*	380,922 10.666 %	23,328 0.663 %	33,955 0.951 %	1,467 0.041 %	23 0.001 %	439,695 12.312 %
368 Regs.Capac,Etc	691,941	10	72,805	23,721	34,527	1,492	24	132,570
368 Transf Min Cost	5,972,393	14	526,792	114,480	19,545	6,980	1,608	669,406
368 Transf Remain	4,321,222	15	434,084	146,062	139,119	11,204	0	730,469

Supporting Schedules:
C-2.1, C-2.2, C-2.4, D-2.0, E-5.0

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - PLANT

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Subtotal								
Acct 368 Transformer	10,985,556	105*	1,033,682 9.409 %	284,263 2.588 %	193,191 1.759 %	19,677 0.179 %	1,631 0.015 %	1,532,444 13.950 %
369 Services	3,129,009	16	249,721	83,387	23,163	4,964	1,103	362,338
370 Meters	2,337,856	17	174,032	76,533	13,067	5,497	0	269,129
371 Install on Cons	121,536	18	0	0	0	0	9,565	9,565
373 Lighting	107,679	18	0	0	0	0	8,475	8,475
Total								
DISTRIBUTION PLANT	56,457,293	106*	5,200,055 9.211 %	1,788,431 3.168 %	1,714,558 3.037 %	112,268 0.199 %	23,827 0.042 %	8,839,139 15.656 %
SUBTOTAL								
Trans & Distri Plant	83,572,885	107*	7,849,034 9.392 %	2,645,056 3.165 %	2,997,089 3.586 %	165,582 0.198 %	26,131 0.031 %	13,682,893 16.372 %
OTHER PLANT								
General Plant	13,943,852	134	1,240,560	400,623	294,970	25,409	16,981	1,978,543
Total								
OTHER PLANT	13,943,852	108*	1,240,560 8.897 %	400,623 2.873 %	294,970 2.115 %	25,409 0.182 %	16,981 0.122 %	1,978,543 14.189 %
Total								
PLANT	97,516,737	109*	9,089,594 9.321 %	3,045,679 3.123 %	3,292,059 3.376 %	190,992 0.196 %	43,112 0.044 %	15,661,435 16.060 %

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - REVENUES

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Base Revenue	22,288,143	24	2,358,872	682,056	1,036,663	38,246	11,591	4,127,428
PCA Revenue	335,951	25	135,925	48,039	86,261	4,200	520	274,946
Subtotal								
Energy Sales Revenue	22,624,094	110*	2,494,797	730,095	1,122,924	42,446	12,111	4,402,373
			11.027 %	3.227 %	4.963 %	0.188 %	0.054 %	19.459 %
450 Forfeited Disc	36,823	22	3,245	705	120	43	14	4,128
451 Misc Service Chg	68,237	22	6,014	1,307	223	80	27	7,650
454 Rent Electric Pr	52,795	103	4,686	2,086	1,868	125	6	8,771
456 Other	127,934	22	11,275	2,450	418	149	50	14,342
456.01 Wheeling Rev	693,405	7	68,445	22,300	32,459	1,403	22	124,630
Subtotal								
Other Revenue	979,194	111*	93,664	28,848	35,089	1,800	119	159,521
			9.565 %	2.946 %	3.583 %	0.184 %	0.012 %	16.291 %
Total								
REVENUES	23,603,288	112*	2,588,461	758,944	1,158,013	44,246	12,230	4,561,894
			10.967 %	3.215 %	4.906 %	0.187 %	0.052 %	19.327 %

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GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - EXPENSES

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
GEN&TRANS O&M								
Power Gen O&M	536,351	7	52,942	17,250	25,107	1,085	17	96,401
Transmission O&M	262,197	7	25,881	8,432	12,274	530	8	47,126
Total	798,548	113*	78,823	25,682	37,381	1,615	26	143,528
GEN&TRANS O&M			9.871 %	3.216 %	4.681 %	0.202 %	0.003 %	17.974 %
DISTIB-OPERATIONS								
580 Supervision	33,319	106	3,069	1,055	1,012	66	14	5,217
581 Load Dispatch	37,234	2	3,687	1,198	1,742	74	1	6,702
582 Station Expenses	14,511	9	1,432	467	679	29	0	2,608
583 OH Line	132,137	103	11,729	5,220	4,675	313	16	21,953
584 UG Line	21,223	104	2,264	139	202	9	0	2,613
585 Street Lights	7,852	18	0	0	0	0	618	618
586 Meter Expense	296,194	17	22,049	9,696	1,655	696	0	34,097
587 Customer Install	3,729	18	0	0	0	0	293	293
588 Miscellaneous	298,648	106	27,507	9,460	9,070	594	126	46,757
589 Rents	14,685	106	1,353	465	446	29	6	2,299
Total	859,532	114*	73,090	27,701	19,481	1,811	1,075	123,158
DISTIB-OPERATIONS			8.503 %	3.223 %	2.266 %	0.211 %	0.125 %	14.328 %
DISTIB-MAINTENANCE								
590 Supervision	31,442	106	2,896	996	955	63	13	4,923
592 Maint Station Eq	158,105	9	15,606	5,085	7,401	320	5	28,417
593 Maint OH Lines	446,706	103	39,650	17,648	15,805	1,059	54	74,216
594 Maint UG Lines	174,602	104	18,624	1,141	1,660	72	1	21,497
595 Maint Transform	24,170	105	2,274	625	425	43	4	3,372
596 Maint Lights	19,864	18	0	0	0	0	1,563	1,563
597 Maint Meters	128,046	17	9,532	4,192	716	301	0	14,740
598 Miscellaneous	73,087	106	6,732	2,315	2,220	145	31	11,443
Total	1,056,022	115*	95,314	32,002	29,181	2,003	1,671	160,171
DISTIB-MAINTENAN			9.026 %	3.030 %	2.763 %	0.190 %	0.158 %	15.167 %

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - EXPENSES

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
CONSUMER ACCOUNTING								
901 Supervision	7,816	116	708	175	30	11	2	926
902 Meter Reading	316,223	19	21,219	7,220	907	567	0	29,914
903 Customer Records	518,783	20	54,391	11,513	2,295	574	191	68,965
Subtotal								
Subtotal Cust Record	835,006	116*	75,611	18,733	3,202	1,141	191	98,878
			9.055 %	2.243 %	0.383 %	0.137 %	0.023 %	11.842 %
Total								
CONSUMER	842,822	117*	76,318	18,909	3,232	1,151	193	99,804
			9.055 %	2.244 %	0.383 %	0.137 %	0.023 %	11.842 %
CUSTOMER SERVICE								
907 Supervision	127	21	11	2	0	0	0	14
908 Customer Assist	64,241	21	5,661	1,230	210	75	25	7,202
909 Info & Adv	27,941	21	2,462	535	91	33	11	3,132
910 Miscellaneous	1,559	21	137	30	5	2	1	175
Total								
CUSTOMER SERVICE	93,868	118*	8,272	1,798	307	110	37	10,523
			8.812 %	1.915 %	0.327 %	0.117 %	0.039 %	11.210 %
SALES								
912 Demo & Selling	24,062	21	2,121	461	79	28	9	2,697
913 Advertising	200	21	18	4	1	0	0	22
Total								
SALES	24,262	119*	2,138	465	79	28	9	2,720
			8.812 %	1.917 %	0.326 %	0.115 %	0.037 %	11.211 %
ADMIN & GENERAL								
920 Salaries	719,584	134	64,020	20,674	15,222	1,311	876	102,104
921 Office & Expenss	267,882	134	23,833	7,697	5,667	488	326	38,011
923 Outside Services	82,823	110	9,133	2,673	4,111	155	44	16,116
924 Prop Insurance	209,918	107	19,715	6,644	7,528	416	66	34,369

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - EXPENSES

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
925 Injury & Damages	164,988	134	14,679	4,740	3,490	301	201	23,411
926 Pension&Benefit	2,323,446	134	206,713	66,755	49,150	4,234	2,830	329,682
928 Regulatory	31,999	110	3,529	1,033	1,588	60	17	6,227
930 Miscellaneous	834,049	134	74,204	23,963	17,644	1,520	1,016	118,346
932 Maint General Pl	282,730	134	25,154	8,123	5,981	515	344	40,118
Total	4,917,419	120*	440,979	142,302	110,381	9,000	5,720	708,383
ADMIN & GENERAL			8,968 %	2.894 %	2.245 %	0.183 %	0.116 %	14,406 %
SUBTOTAL	8,592,473	121*	774,935	248,858	200,043	15,720	8,731	1,248,287
Subtotal O&M			9.019 %	2.896 %	2.328 %	0.183 %	0.102 %	14,528 %
PURCHASED POWER								
Capacity	3,881,555	2	384,386	124,905	181,553	7,742	84	698,670
Delivery	-1,211,520	6	-119,587	-38,964	-56,713	-2,451	-39	-217,753
Energy/Fuel	5,285,259	1	514,221	162,676	263,668	9,806	1,257	951,626
Subtotal	7,955,294	122*	779,019	248,617	388,507	15,097	1,302	1,432,542
Remainder PP			9.792 %	3.125 %	4.884 %	0.190 %	0.016 %	18,007 %
Direct-Kanab	-21,799	3	0	0	0	0	0	0
Direct-Twin Cities	800,000	4	299,431	86,945	90,625	0	0	477,001
Direct-LP 15	46,136	5	0	0	0	0	0	0
Load Dispatching	59,566	2	5,899	1,917	2,786	119	1	10,722
Subtotal	8,839,197	123*	1,084,349	337,479	481,918	15,216	1,303	1,920,265
PURCHASED POWER			12.268 %	3.818 %	5.452 %	0.172 %	0.015 %	21,724 %
Greenway Program	1,825	123	224	70	100	3	0	396
Other	4,154	123	510	159	226	7	1	902
Total	8,845,176	124*	1,085,082	337,707	482,244	15,226	1,304	1,921,563
PURCHASED POWER			12.268 %	3.818 %	5.452 %	0.172 %	0.015 %	21,724 %

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - EXPENSES

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
DEPRECIATION								
403.2 Production	163,715	101	15,928	5,039	8,167	304	39	29,477
403.4 Transmission	467,668	102	45,753	14,907	21,698	938	15	83,310
403.5 Distribution	1,645,365	106	151,548	52,121	49,968	3,272	694	257,604
403.6 General	594,514	134	52,893	17,081	12,576	1,083	724	84,358
Total	2,871,262	125*	266,122	89,148	92,410	5,597	1,472	454,748
			9.268 %	3.105 %	3.218 %	0.195 %	0.051 %	15.838 %
TAXES								
408.1 Property Tax	603,933	109	56,293	18,862	20,388	1,183	267	96,993
408.3 FICA	1,285	136	114	37	27	2	2	182
408.4 State Unemploy	3	136	0	0	0	0	0	0
408.45 Sales Tax	21,198	110	2,338	684	1,052	40	11	4,125
408.6 Gross Receipts	34,231	110	3,775	1,105	1,699	64	18	6,661
Total	660,650	126*	62,520	20,688	23,167	1,289	298	107,962
			9.463 %	3.131 %	3.507 %	0.195 %	0.045 %	16.342 %
EXPENSES								
Total	20,969,561	127*	2,188,659	696,402	797,863	37,831	11,805	3,732,560
			10.437 %	3.321 %	3.805 %	0.180 %	0.056 %	17.800 %

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - PAYROLL

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
PAYROLL-G&T O&M								
Power Generation	58,304	7	5,755	1,875	2,729	118	2	10,479
556 Load Dispatch	37,466	2	3,710	1,206	1,752	75	1	6,744
Transmission	144,532	7	14,267	4,648	6,766	292	5	25,978
Total	240,302	128*	23,732	7,729	11,247	485	7	43,201
PAYROLL-G&T O&M			9.876 %	3.216 %	4.680 %	0.202 %	0.003 %	17.978 %
PAYROLL-DIST OPER								
580 Supervision	29,015	106	2,672	919	881	58	12	4,543
581 Load Dispatch	375	10	39	13	19	1	0	72
582 Station Expense	257	9	25	8	12	1	0	46
583 OH Lines	85,941	103	7,628	3,395	3,041	204	10	14,278
584 UG Lines	7,409	104	790	48	70	3	0	912
585 St Lights	6,797	18	0	0	0	0	535	535
586 Meter Expense	224,983	17	16,748	7,365	1,257	529	0	25,900
587 Cust Install	6,438	18	0	0	0	0	507	507
588 Miscellaneous	235,741	106	21,713	7,468	7,159	469	99	36,908
598 Rents	318	105	30	8	6	1	0	44
Total	597,274	129*	49,647	19,225	12,445	1,264	1,164	83,745
PAYROLL-DIST OPER			8.312 %	3.219 %	2.084 %	0.212 %	0.195 %	14.021 %
PAYROLL-DIST MAINT								
590 Supervision	27,628	106	2,545	875	839	55	12	4,326
592 Maint Station Eq	60,854	9	6,007	1,957	2,849	123	2	10,938
593 Maint OH Lines	295,015	103	26,186	11,655	10,438	700	35	49,014
594 Maint UG Lines	131,301	104	14,005	858	1,248	54	1	16,166
595 Maint Transform	26,477	105	2,491	685	466	47	4	3,693
596 Maint Lights	14,137	18	0	0	0	0	1,113	1,113
597 Maint Meters	95,659	17	7,121	3,132	535	225	0	11,012
698 Miscellaneous	36,280	106	3,342	1,149	1,102	72	15	5,680
Total	687,351	130*	61,696	20,311	17,476	1,276	1,182	101,941
PAYROLL-DIST MAINT			8.976 %	2.955 %	2.543 %	0.186 %	0.172 %	14.831 %

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Cost of Service Allocation - PAYROLL

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
PAYROLL-CONS ACCTS								
901 Supervision	6,844	131	619	154	26	9	2	810
902 Meter Reading	186,180	19						
903 Customer Records	289,407	20	11,151	3,794	477	298	0	15,720
Subtotal			28,246	5,979	1,192	298	99	35,814
Subl Cons Acct Payrl	435,587	131*	39,397	9,773	1,669	596	99	51,534
			9.045 %	2.244 %	0.383 %	0.137 %	0.023 %	11.831 %
Total								
PAYROLL-CONS	442,431	132*	40,016	9,927	1,695	605	101	52,343
			9.045 %	2.244 %	0.383 %	0.137 %	0.023 %	11.831 %
PAYROLL-CUST SERV								
907 Supervision	115	21	10	2	0	0	0	13
908 Customer Assist	56,569	21	4,985	1,083	185	66	22	6,342
909 Info&Instruct Ad	11,637	21	1,026	223	38	14	5	1,305
910 Miscellaneous	1,342	21	118	26	4	2	1	150
Total	69,663	133*	6,139	1,334	228	81	27	7,810
PAYROLL-CUST			8.812 %	1.915 %	0.327 %	0.116 %	0.039 %	11.211 %
SUBTOTAL								
Subtotal Payroll	2,037,021	134*	181,230	58,526	43,091	3,712	2,481	289,040
			8.897 %	2.873 %	2.115 %	0.182 %	0.122 %	14.189 %
PAYROLL-ADMIN & GEN								
920 Salaries	659,075	134	58,637	18,936	13,942	1,201	803	93,518
921 Office Expenses	23,265	134	2,070	668	492	42	28	3,301
925 Injury&Damages	49,410	134	4,396	1,420	1,045	90	60	7,011
926 Pension&Benefits	66,276	134	5,896	1,904	1,402	121	81	9,404
930 Miscellaneous	190,354	134	16,935	5,469	4,027	347	232	27,010
935 Maint General Pl	101,999	134	9,075	2,931	2,158	186	124	14,473
Total	1,090,379	135*	97,009	31,328	23,066	1,987	1,328	154,718
PAYROLL-ADMIN &			8.897 %	2.873 %	2.115 %	0.182 %	0.122 %	14.189 %

GARKANE ENERGY COOPERATIVE, INC.
 EXISTING RATES - ARIZONA SYSTEM
 ADJUSTED TEST YEAR ENDING 12/31/2013
 Cost of Service Allocation - PAYROLL

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Total								
PAYROLL	3,127,400	136*	278,239	89,854	66,157	5,699	3,809	443,758
			8.897 %	2.873 %	2.115 %	0.182 %	0.122 %	14.189 %

GARKANE ENERGY COOPERATIVE, INC.
 EXISTING RATES - ARIZONA SYSTEM
 ADJUSTED TEST YEAR ENDING 12/31/2013
 Cost of Service Allocation - INTEREST

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Interest LT Debt	1,442,214	109	134,430	45,044	48,688	2,825	638	231,623
Interest-Other	19,770	109	1,843	617	667	39	9	3,175
Other Deductions	0	109	0	0	0	0	0	0
Total	1,461,984	140*	136,272	45,661	49,355	2,863	646	234,798
INTEREST			9.321 %	3.123 %	3.376 %	0.196 %	0.044 %	16.060 %

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF RATE BASE

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Pur Pwr Energy									
Energy	3,587,841	1	1,796,522	630,064	765,679	25,749	67,546	291,274	11,008
Total									
Pur Pwr Energy	3,587,841		1,796,522	630,064	765,679	25,749	67,546	291,274	11,008
			50.073 %	17.561 %	21.341 %	0.718 %	1.883 %	8.118 %	0.307 %
Pur Pwr Capacity									
Pur Pwr Capacity	307,790	2	157,061	61,348	62,076	2,620	5,587	19,009	88
Total									
Pur Pwr Capacity	307,790		157,061	61,348	62,076	2,620	5,587	19,009	88
			51.029 %	19.932 %	20.168 %	0.851 %	1.815 %	6.176 %	0.028 %
Transmission Plant									
Transmission Plant	13,946,792	7	7,099,172	2,783,905	2,818,331	119,221	257,504	862,996	5,663
Direct - Transmissio	110,115	8	0	0	0	0	0	110,115	0
Total									
Transmission Plant	14,056,907		7,099,172	2,783,905	2,818,331	119,221	257,504	973,111	5,663
			50.503 %	19.805 %	20.049 %	0.848 %	1.832 %	6.923 %	0.040 %
Distrib Substations									
Distrib Substations	8,793,539	9	4,476,072	1,755,269	1,776,975	75,170	162,358	544,124	3,571
Total									
Distrib Substations	8,793,539		4,476,072	1,755,269	1,776,975	75,170	162,358	544,124	3,571
			50.902 %	19.961 %	20.208 %	0.855 %	1.846 %	6.188 %	0.041 %
Distrib Backbone									
Distrib Backbone	10,476,220	10	5,684,320	2,229,078	2,256,643	95,461	206,184	0	4,535
Total									
Distrib Backbone	10,476,220		5,684,320	2,229,078	2,256,643	95,461	206,184	0	4,535
			54.259 %	21.277 %	21.541 %	0.911 %	1.968 %	0.000 %	0.043 %
Distrib Demand									
OH Line 1-Phase 40%	1,342,433	11	1,247,067	78,037	2,476	5,540	5,423	0	3,890
OH Line 3PH Ext 60%	1,295,865	12	0	996,819	175,333	40,941	82,772	0	0
UG Line 1PH 40%	1,012,700	13	1,012,700	0	0	0	0	0	0
Trfms-RemainderCost	2,492,311	15	1,476,144	510,146	389,546	19,939	96,535	0	0

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF RATE BASE

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Total									
Distrib Demand	6,143,308		3,735,911 60.813 %	1,585,003 25.800 %	567,355 9.235 %	66,420 1.081 %	184,729 3.007 %	0 0.000 %	3,890 0.063 %
Distrib Customer									
OH Line 1-Phase 60%	2,013,649	11	1,870,600	117,056	3,713	8,311	8,134	0	5,835
OH Line 3PH Ext 40%	863,910	12	0	664,546	116,889	27,294	55,181	0	0
UG Line 1PH 60%	1,519,049	13	1,519,049	0	0	0	0	0	0
Transfms-Min Cost	3,444,641	14	2,839,444	478,296	58,512	24,962	37,308	0	6,120
369 Services	1,741,991	16	1,299,247	329,387	66,565	17,133	25,607	0	4,053
Direct-Lighting	352,475	18	0	0	0	0	0	0	352,475
Total									
Distrib Customer	9,935,716		7,528,341 75.770 %	1,589,285 15.996 %	245,679 2.473 %	77,699 0.782 %	126,230 1.270 %	0 0.000 %	368,483 3.709 %
Distrib Metering									
370 Meters	3,935,666	17	2,744,180	942,851	114,176	48,708	85,752	0	0
Total									
Distrib Metering	3,935,666		2,744,180 69.726 %	942,851 23.957 %	114,176 2.901 %	48,708 1.238 %	85,752 2.179 %	0 0.000 %	0 0.000 %
Meter Reading									
Meter Reading	1,386,647	19	1,060,263	256,571	29,837	15,001	24,975	0	0
Total									
Meter Reading	1,386,647		1,060,263 76.462 %	256,571 18.503 %	29,837 2.152 %	15,001 1.082 %	24,975 1.801 %	0 0.000 %	0 0.000 %
Billing & Records									
Billing & Records	2,247,999	20	1,839,603	318,645	41,022	15,414	27,679	166	5,470
Total									
Billing & Records	2,247,999		1,839,603 81.833 %	318,645 14.175 %	41,022 1.825 %	15,414 0.686 %	27,679 1.231 %	166 0.007 %	5,470 0.243 %
Customer Service									
Customer Services	572,293	21	471,334	79,395	9,713	4,144	6,193	45	1,470
Total									
Customer Service	572,293		471,334 82.359 %	79,395 13.873 %	9,713 1.697 %	4,144 0.724 %	6,193 1.082 %	45 0.008 %	1,470 0.257 %

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF RATE BASE

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Revenue Related									
Rate Base Deducts	-661,617	23	-544,900	-91,787	-11,229	-4,790	-7,160	-52	-1,700
Total	-661,617		-544,900	-91,787	-11,229	-4,790	-7,160	-52	-1,700
Revenue Related			82,359 %	13.873 %	1.697 %	0.724 %	1.082 %	0.008 %	0.257 %
Total									
RATE BASE	60,782,309		36,047,879	12,139,625	8,676,257	540,816	1,147,577	1,827,677	402,477
			59.307 %	19.972 %	14.274 %	0.890 %	1.888 %	3.007 %	0.662 %

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF RATE BASE

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
PUR PWR DEMAND									
Pur Pwr Capacity	307,790	2	157,061	61,348	62,076	2,620	5,587	19,009	88
Total	307,790		157,061	61,348	62,076	2,620	5,587	19,009	88
PUR PWR DEMAND			51.029 %	19.932 %	20.168 %	0.851 %	1.815 %	6.176 %	0.028 %
PUR PWR ENERGY									
Energy	3,587,841	1	1,796,522	630,064	765,679	25,749	67,546	291,274	11,008
Total	3,587,841		1,796,522	630,064	765,679	25,749	67,546	291,274	11,008
PUR PWR ENERGY			50.073 %	17.561 %	21.341 %	0.718 %	1.883 %	8.118 %	0.307 %
WIRES DEMAND									
Transmission Plant	13,946,792	7	7,099,172	2,783,905	2,818,331	119,221	257,504	862,996	5,663
Direct - Transmissio	110,115	8	0	0	0	0	0	110,115	0
Distrib Substations	8,793,539	9	4,476,072	1,755,269	1,776,975	75,170	162,358	544,124	3,571
Distrib Backbone	10,476,220	10	5,684,320	2,229,078	2,256,643	95,461	206,184	0	4,535
OH Line 1-Phase 40%	1,342,433	11	1,247,067	78,037	2,476	5,540	5,423	0	3,890
OH Line 3PH Ext 60%	1,295,865	12	0	996,819	175,333	40,941	82,772	0	0
UG Line 1PH 40%	1,012,700	13	1,012,700	0	0	0	0	0	0
Trfrms-RemainderCost	2,492,311	15	1,476,144	510,146	389,546	19,939	96,535	0	0
Total	39,469,975		20,995,475	8,353,254	7,419,305	356,272	810,775	1,517,235	17,659
WIRES DEMAND			53.194 %	21.164 %	18.797 %	0.903 %	2.054 %	3.844 %	0.045 %
TOTAL CUSTOMER									
OH Line 1-Phase 60%	2,013,649	11	1,870,600	117,056	3,713	8,311	8,134	0	5,835
OH Line 3PH Ext 40%	863,910	12	0	664,546	116,869	27,294	55,181	0	0
UG Line 1PH 60%	1,519,049	13	1,519,049	0	0	0	0	0	0
Transfrms-Min Cost	3,444,641	14	2,839,444	478,296	58,512	24,962	37,308	0	6,120
369 Services	1,741,991	16	1,299,247	329,387	66,565	17,133	25,607	0	4,053
370 Meters	3,935,666	17	2,744,180	942,851	114,176	48,708	85,752	0	0
Direct-Lighting	352,475	18	0	0	0	0	0	0	352,475

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF RATE BASE

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Meter Reading	1,386,647	19	1,060,263	256,571	29,837	15,001	24,975	0	0
Billing & Records	2,247,999	20	1,839,603	318,645	41,022	15,414	27,679	166	5,470
Customer Services	572,293	21	471,334	79,395	9,713	4,144	6,193	45	1,470
Rate Base Deducts	-661,617	23	-544,900	-91,787	-11,229	-4,790	-7,160	-52	-1,700
Total	17,416,704		13,098,821	3,094,959	429,198	156,175	263,669	159	373,723
TOTAL			75.208 %	17.770 %	2.464 %	0.897 %	1.514 %	0.001 %	2.146 %
CUSTOMER									
Total	60,782,309		36,047,879	12,139,625	8,676,257	540,816	1,147,577	1,827,677	402,477
RATE BASE			59.307 %	19.972 %	14.274 %	0.890 %	1.888 %	3.007 %	0.662 %

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF RATE BASE

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Pur Pwr Energy								
Energy	3,587,841	1	349,073	110,431	178,988	6,657	853	646,001
Total	3,587,841							
Pur Pwr Energy			349,073	110,431	178,988	6,657	853	646,001
			9.729 %	3.078 %	4.989 %	0.186 %	0.024 %	18.005 %
Pur Pwr Capacity								
Pur Pwr Capacity	307,790	2	30,480	9,904	14,396	614	7	55,401
Total	307,790							
Pur Pwr Capacity			30,480	9,904	14,396	614	7	55,401
			9.903 %	3.218 %	4.677 %	0.199 %	0.002 %	18.000 %
Transmission Plant								
Transmission Plant	13,946,792	7	1,376,666	448,541	652,871	28,212	446	2,506,736
Direct - Transmisso	110,115	8	0	0	0	0	0	0
Total	14,056,907							
Transmission Plant			1,376,666	448,541	652,871	28,212	446	2,506,736
			9.794 %	3.191 %	4.644 %	0.201 %	0.003 %	17.833 %
Distrib Substations								
Distrib Substations	8,793,539	9	867,997	282,808	411,639	17,788	281	1,580,513
Total	8,793,539							
Distrib Substations			867,997	282,808	411,639	17,788	281	1,580,513
			9.871 %	3.216 %	4.681 %	0.202 %	0.003 %	17.974 %
Distrib Backbone								
Distrib Backbone	10,476,220	10	1,102,299	359,147	522,755	22,590	357	2,007,148
Total	10,476,220							
Distrib Backbone			1,102,299	359,147	522,755	22,590	357	2,007,148
			10.522 %	3.428 %	4.990 %	0.216 %	0.003 %	19.159 %
Distrib Demand								
OH Line 1-Phase 40%	1,342,433	11	133,442	9,666	472	707	589	144,876
OH Line 3PH Ext 60%	1,295,865	12	0	145,963	33,821	8,010	0	187,794
UG Line 1PH 40%	1,012,700	13	108,363	0	0	0	0	108,363
Trfrms-RemainderCost	2,492,311	15	250,363	84,243	80,238	6,462	0	421,306

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF RATE BASE

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Total	6,143,308		492,168	239,872	114,530	15,180	589	862,339
Distrib Demand			8.011 %	3.905 %	1.864 %	0.247 %	0.010 %	14.037 %
Distrib Customer								
OH Line 1-Phase 60%	2,013,649	11	200,163	14,499	707	1,061	884	217,314
OH Line 3PH Ext 40%	863,910	12	0	97,309	22,547	5,340	0	125,196
UG Line 1PH 60%	1,519,049	13	162,545	0	0	0	0	162,545
Transfms-Min Cost	3,444,641	14	303,833	66,027	11,273	4,026	927	386,087
369 Services	1,741,991	16	139,025	46,424	12,895	2,763	614	201,722
Direct-Lighting	352,475	18	0	0	0	0	27,741	27,741
Total	9,935,716		805,566	224,259	47,423	13,190	30,167	1,120,605
Distrib Customer			8.108 %	2.257 %	0.477 %	0.133 %	0.304 %	11.279 %
Distrib Metering								
370 Meters	3,935,666	17	292,975	128,840	21,997	9,254	0	453,066
Total	3,935,666		292,975	128,840	21,997	9,254	0	453,066
Distrib Metering			7.444 %	3.274 %	0.559 %	0.235 %	0.000 %	11.512 %
Meter Reading								
Meter Reading	1,386,647	19	93,047	31,660	3,978	2,486	0	131,172
Total	1,386,647		93,047	31,660	3,978	2,486	0	131,172
Meter Reading			6.710 %	2.283 %	0.287 %	0.179 %	0.000 %	9.460 %
Billing & Records								
Billing & Records	2,247,999	20	235,689	49,889	9,945	2,486	829	298,838
Total	2,247,999		235,689	49,889	9,945	2,486	829	298,838
Billing & Records			10.484 %	2.219 %	0.442 %	0.111 %	0.037 %	13.294 %
Customer Service								
Customer Services	572,293	21	50,435	10,960	1,871	668	223	64,157
Total	572,293		50,435	10,960	1,871	668	223	64,157
Customer Service			8.813 %	1.915 %	0.327 %	0.117 %	0.039 %	11.211 %

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF RATE BASE

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Revenue Related								
Rate Base Deducts	-661,617	23	-58,307	-12,671	-2,163	-773	-258	-74,171
Total	-661,617		-58,307	-12,671	-2,163	-773	-258	-74,171
Revenue Related			8.813 %	1.915 %	0.327 %	0.117 %	0.039 %	11.211 %
Total								
RATE BASE	60,782,309		5,638,088	1,883,641	1,978,231	118,353	33,493	9,651,806
			9.276 %	3.099 %	3.255 %	0.195 %	0.055 %	15.879 %

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF RATE BASE

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
PUR PWR DEMAND								
Pur Pwr Capacity	307,790	2	30,480	9,904	14,396	614	7	55,401
Total								
PUR PWR	307,790		30,480	9,904	14,396	614	7	55,401
DEMAND			9.903 %	3.218 %	4.677 %	0.199 %	0.002 %	18.000 %
PUR PWR ENERGY								
Energy	3,587,841	1	349,073	110,431	178,988	6,657	853	646,001
Total								
PUR PWR	3,587,841		349,073	110,431	178,988	6,657	853	646,001
ENERGY			9.729 %	3.078 %	4.989 %	0.186 %	0.024 %	18.005 %
WIRES DEMAND								
Transmission Plant	13,946,792	7	1,376,666	448,541	652,871	28,212	446	2,506,736
Direct - Transmissio	110,115	8	0	0	0	0	0	0
Distrib Substations	8,793,539	9	867,997	282,808	411,639	17,788	281	1,580,513
Distrib Backbone	10,476,220	10	1,102,299	359,147	522,755	22,590	357	2,007,148
OH Line 1-Phase 40%	1,342,433	11	133,442	9,666	472	707	589	144,876
OH Line 3PH Ext 60%	1,295,865	12	0	145,963	33,821	8,010	0	187,794
UG Line 1PH 40%	1,012,700	13	108,363	0	0	0	0	108,363
Trfrms-RemainderCost	2,492,311	15	250,363	84,243	80,238	6,462	0	421,306
Total								
WIRES DEMAND	39,469,975		3,839,130	1,330,368	1,701,796	83,770	1,673	6,956,736
			9.727 %	3.371 %	4.312 %	0.212 %	0.004 %	17.625 %
TOTAL CUSTOMER								
OH Line 1-Phase 60%	2,013,649	11	200,163	14,499	707	1,061	884	217,314
OH Line 3PH Ext 40%	863,910	12	0	97,309	22,547	5,340	0	125,196
UG Line 1PH 60%	1,519,049	13	162,545	0	0	0	0	162,545
Transfrms-Min Cost	3,444,641	14	303,833	66,027	11,273	4,026	927	386,087
369 Services	1,741,991	16	139,025	46,424	12,895	2,763	614	201,722
370 Meters	3,935,666	17	292,975	128,840	21,997	9,254	0	453,066
Direct-Lighting	352,475	18	0	0	0	0	27,741	27,741

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF RATE BASE

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Meter Reading	1,386,647	19	93,047	31,660	3,978	2,486	0	131,172
Billing & Records	2,247,999	20	235,689	49,889	9,945	2,486	829	298,838
Customer Services	572,293	21	50,435	10,960	1,871	668	223	64,157
Rate Base Deducts	-661,617	23	-58,307	-12,671	-2,163	-773	-258	-74,171
Total	17,416,704		1,419,405	432,938	83,051	27,313	30,961	1,993,667
CUSTOMER			8.150 %	2.486 %	0.477 %	0.157 %	0.178 %	11.447 %
Total	60,782,309		5,638,088	1,883,641	1,978,231	118,353	33,493	9,651,806
RATE BASE			9.276 %	3.099 %	3.255 %	0.195 %	0.055 %	15.879 %

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF PLANT

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Pur Pwr Energy									
Energy	7,013,251	1	3,511,711	1,231,603	1,496,694	50,333	132,033	569,361	21,517
Total									
Pur Pwr Energy	7,013,251		3,511,711	1,231,603	1,496,694	50,333	132,033	569,361	21,517
			50.073 %	17.561 %	21.341 %	0.718 %	1.883 %	8.118 %	0.307 %
Pur Pwr Capacity									
Pur Pwr Capacity	256,463	2	130,870	51,118	51,724	2,183	4,656	15,839	73
Total									
Pur Pwr Capacity	256,463		130,870	51,118	51,724	2,183	4,656	15,839	73
			51.029 %	19.932 %	20.168 %	0.851 %	1.815 %	6.176 %	0.028 %
Transmission Plant									
Transmission Plant	21,312,148	7	10,848,273	4,254,096	4,306,703	182,182	393,493	1,318,747	8,654
Direct - Transmissio	178,650	8	0	0	0	0	0	178,650	0
Total									
Transmission Plant	21,490,798		10,848,273	4,254,096	4,306,703	182,182	393,493	1,497,397	8,654
			50.479 %	19.795 %	20.040 %	0.848 %	1.831 %	6.968 %	0.040 %
Distrib Substations									
Distrib Substations	15,905,217	9	8,096,046	3,174,824	3,214,085	135,962	293,663	984,179	6,459
Total									
Distrib Substations	15,905,217		8,096,046	3,174,824	3,214,085	135,962	293,663	984,179	6,459
			50.902 %	19.961 %	20.208 %	0.855 %	1.846 %	6.188 %	0.041 %
Distrib Backbone									
Distrib Backbone	17,278,666	10	9,375,278	3,676,468	3,721,932	157,445	340,064	0	7,479
Total									
Distrib Backbone	17,278,666		9,375,278	3,676,468	3,721,932	157,445	340,064	0	7,479
			54.259 %	21.277 %	21.541 %	0.911 %	1.968 %	0.000 %	0.043 %
Distrib Demand									
OH Line 1-Phase 40%	2,217,517	11	2,059,985	128,907	4,089	9,152	8,957	0	6,426
OH Line 3PH Ext 60%	2,140,594	12	0	1,646,611	289,627	67,629	136,727	0	0
UG Line 1PH 40%	1,509,812	13	1,509,812	0	0	0	0	0	0
Tfrms-RemainderCost	4,565,567	15	2,704,091	934,517	713,595	36,526	176,839	0	0

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF PLANT

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Total									
Distrib Demand	10,433,491		6,273,889	2,710,035	1,007,311	113,306	322,524	0	6,426
			60.132 %	25.974 %	9.655 %	1.086 %	3.091 %	0.000 %	0.062 %
Distrib Customer									
OH Line 1-Phase 60%	3,326,276	11	3,089,978	193,361	6,134	13,728	13,436	0	9,639
OH Line 3PH Ext 40%	1,427,063	12	0	1,097,740	193,085	45,086	91,152	0	0
UG Line 1PH 60%	2,264,719	13	2,264,719	0	0	0	0	0	0
Transfms-Min Cost	6,310,105	14	5,201,467	876,171	107,186	45,726	68,343	0	0
369 Services	3,253,697	16	2,426,739	615,230	124,331	32,000	47,828	0	11,211
Direct-Lighting	425,716	18	0	0	0	0	0	0	7,570
Total									
Distrib Customer	17,007,575		12,982,902	2,782,502	430,735	136,540	220,759	0	454,136
			76.336 %	16.360 %	2.533 %	0.803 %	1.298 %	0.000 %	2.670 %
Distrib Metering									
370 Meters	4,625,882	17	3,225,439	1,108,202	134,199	57,250	100,791	0	0
Total									
Distrib Metering	4,625,882		3,225,439	1,108,202	134,199	57,250	100,791	0	0
			69.726 %	23.957 %	2.901 %	1.238 %	2.179 %	0.000 %	0.000 %
Meter Reading									
Meter Reading	1,155,411	19	883,455	213,785	24,861	12,500	20,810	0	0
Total									
Meter Reading	1,155,411		883,455	213,785	24,861	12,500	20,810	0	0
			76.462 %	18.503 %	2.152 %	1.082 %	1.801 %	0.000 %	0.000 %
Billing & Records									
Billing & Records	1,873,125	20	1,532,833	265,508	34,181	12,844	23,064	138	4,557
Total									
Billing & Records	1,873,125		1,532,833	265,508	34,181	12,844	23,064	138	4,557
			81.833 %	14.175 %	1.825 %	0.686 %	1.231 %	0.007 %	0.243 %
Customer Service									
Customer Services	476,858	21	392,735	66,155	8,093	3,453	5,160	37	1,225
Total									
Customer Service	476,858		392,735	66,155	8,093	3,453	5,160	37	1,225
			82.359 %	13.873 %	1.697 %	0.724 %	1.062 %	0.008 %	0.257 %

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF PLANT

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Total	97,516,737		57,253,432	19,534,296	14,430,518	863,998	1,857,015	3,066,951	510,527
PLANT			58.711 %	20.032 %	14.798 %	0.886 %	1.904 %	3.145 %	0.524 %

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF PLANT

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
PUR PWR DEMAND									
Pur Pwr Capacity	256,463	2	130,870	51,118	51,724	2,183	4,656	15,839	73
Total									
PUR PWR	256,463		130,870	51,118	51,724	2,183	4,656	15,839	73
DEMAND			51,029 %	19.932 %	20.168 %	0.851 %	1.815 %	6.176 %	0.028 %
PUR PWR ENERGY									
Energy	7,013,251	1	3,511,711	1,231,603	1,496,694	50,333	132,033	569,361	21,517
Total									
PUR PWR	7,013,251		3,511,711	1,231,603	1,496,694	50,333	132,033	569,361	21,517
ENERGY			50.073 %	17.561 %	21.341 %	0.718 %	1.883 %	8.118 %	0.307 %
WIRES DEMAND									
Transmission Plant	21,312,148	7	10,848,273	4,254,096	4,306,703	182,182	393,493	1,318,747	8,654
Direct - Transmissio	178,650	8	0	0	0	0	0	178,650	0
Distrib Substations	15,905,217	9	8,096,046	3,174,824	3,214,085	135,962	293,663	984,179	6,459
Distrib Backbone	17,278,666	10	9,375,278	3,676,468	3,721,932	157,445	340,064	0	7,479
OH Line 1-Phase 40%	2,217,517	11	2,059,985	128,907	4,089	9,152	8,957	0	6,426
OH Line 3PH Ext 60%	2,140,594	12	0	1,646,611	289,627	67,629	136,727	0	0
UG Line 1PH 40%	1,509,812	13	1,509,812	0	0	0	0	0	0
Trfrms-RemainderCost	4,565,567	15	2,704,091	934,517	713,595	36,526	176,839	0	0
Total									
WIRES DEMAND	65,108,171		34,593,486	13,815,422	12,250,031	588,896	1,349,743	2,481,576	29,018
			53.132 %	21.219 %	18.815 %	0.904 %	2.073 %	3.811 %	0.045 %
TOTAL CUSTOMER									
OH Line 1-Phase 60%	3,326,276	11	3,089,978	193,361	6,134	13,728	13,436	0	9,639
OH Line 3PH Ext 40%	1,427,063	12	0	1,097,740	193,085	45,086	91,152	0	0
UG Line 1PH 60%	2,264,719	13	2,264,719	0	0	0	0	0	0
Transfrms-Min Cost	6,310,105	14	5,201,467	876,171	107,186	45,726	68,343	0	11,211
369 Services	3,253,697	16	2,426,739	615,230	124,331	32,000	47,828	0	7,570
370 Meters	4,625,882	17	3,225,439	1,108,202	134,199	57,250	100,791	0	0
Direct-Lighting	425,716	18	0	0	0	0	0	0	425,716

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF PLANT

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Meter Reading	1,155,411	19	883,455	213,785	24,861	12,500	20,810	0	0
Billing & Records	1,873,125	20	1,532,833	265,508	34,181	12,844	23,064	138	4,557
Customer Services	476,858	21	392,735	66,155	8,093	3,453	5,160	37	1,225
Total									
TOTAL	25,138,852		19,017,365	4,436,153	632,070	222,586	370,584	175	459,919
CUSTOMER			75.649 %	17.647 %	2.514 %	0.885 %	1.474 %	0.001 %	1.830 %
Total									
PLANT	97,516,737		57,253,432	19,534,296	14,430,518	863,998	1,857,015	3,066,951	510,527
			58.711 %	20.032 %	14.798 %	0.886 %	1.904 %	3.145 %	0.524 %

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF PLANT

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Pur Pwr Energy								
Energy	7,013,251	1	682,343	215,862	349,873	13,012	1,667	1,262,756
Total	7,013,251		682,343	215,862	349,873	13,012	1,667	1,262,756
Pur Pwr Energy			9.729 %	3.078 %	4.989 %	0.186 %	0.024 %	18.005 %
Pur Pwr Capacity								
Pur Pwr Capacity	256,463	2	25,397	8,253	11,996	512	6	46,163
Total	256,463		25,397	8,253	11,996	512	6	46,163
Pur Pwr Capacity			9.903 %	3.218 %	4.677 %	0.199 %	0.002 %	18.000 %
Transmission Plant								
Transmission Plant	21,312,148	7	2,103,689	685,417	997,655	43,112	681	3,830,553
Direct - Transmissio	178,650	8	0	0	0	0	0	0
Total	21,490,798		2,103,689	685,417	997,655	43,112	681	3,830,553
Transmission Plant			9.789 %	3.189 %	4.642 %	0.201 %	0.003 %	17.824 %
Distrib Substations								
Distrib Substations	15,905,217	9	1,569,979	511,525	744,548	32,174	508	2,858,735
Total	15,905,217		1,569,979	511,525	744,548	32,174	508	2,858,735
Distrib Substations			9.871 %	3.216 %	4.661 %	0.202 %	0.003 %	17.974 %
Distrib Backbone								
Distrib Backbone	17,278,666	10	1,818,047	592,350	862,192	37,258	589	3,310,435
Total	17,278,666		1,818,047	592,350	862,192	37,258	589	3,310,435
Distrib Backbone			10.522 %	3.428 %	4.990 %	0.216 %	0.003 %	19.159 %
Distrib Demand								
OH Line 1-Phase 40%	2,217,517	11	220,428	15,967	779	1,168	974	239,316
OH Line 3PH Ext 60%	2,140,594	12	0	241,111	55,867	13,232	0	310,210
UG Line 1PH 40%	1,509,812	13	161,557	0	0	0	0	161,557
Trfrms-RemainderCost	4,565,567	15	458,630	154,321	146,985	11,838	0	771,774

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF PLANT

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Total								
Distrib Demand	10,433,491		840,614 8.057 %	411,399 3.943 %	203,631 1.952 %	26,238 0.251 %	974 0.009 %	1,482,856 14.212 %
Distrib Customer								
OH Line 1-Phase 60%	3,326,276	11	330,641	23,951	1,168	1,753	1,460	358,974
OH Line 3PH Ext 40%	1,427,063	12	0	160,741	37,245	8,821	0	206,806
UG Line 1PH 60%	2,264,719	13	242,335	0	0	0	0	242,335
Transfms-Min Cost	6,310,105	14	556,580	120,953	20,650	7,375	1,699	707,257
369 Services	3,253,697	16	259,672	86,710	24,086	5,161	1,147	376,777
Direct-Lighting	425,716	18	0	0	0	0	33,505	33,505
Total								
Distrib Customer	17,007,575		1,389,228 8.168 %	392,355 2.307 %	83,150 0.489 %	23,110 0.136 %	37,812 0.222 %	1,925,654 11.322 %
Distrib Metering								
370 Meters	4,625,882	17	344,355	151,436	25,855	10,877	0	532,522
Total								
Distrib Metering	4,625,882		344,355 7.444 %	151,436 3.274 %	25,855 0.559 %	10,877 0.235 %	0 0.000 %	532,522 11.512 %
Meter Reading								
Meter Reading	1,155,411	19	77,531	26,381	3,315	2,072	0	109,298
Total								
Meter Reading	1,155,411		77,531 6.710 %	26,381 2.283 %	3,315 0.287 %	2,072 0.179 %	0 0.000 %	109,298 9.460 %
Billing & Records								
Billing & Records	1,873,125	20	196,386	41,570	8,286	2,072	691	249,004
Total								
Billing & Records	1,873,125		196,386 10.484 %	41,570 2.219 %	8,286 0.442 %	2,072 0.111 %	691 0.037 %	249,004 13.294 %
Customer Service								
Customer Services	476,858	21	42,024	9,133	1,559	557	186	53,459
Total								
Customer Service	476,858		42,024 8.813 %	9,133 1.915 %	1,559 0.327 %	557 0.117 %	186 0.039 %	53,459 11.211 %

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF PLANT

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Total	97,516,737		9,089,594	3,045,679	3,292,059	190,992	43,112	15,661,435
PLANT			9.321 %	3.123 %	3.376 %	0.196 %	0.044 %	16.060 %

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF PLANT

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
PUR PWR DEMAND								
Pur Pwr Capacity	256,463	2	25,397	8,253	11,996	512	6	46,163
Total	256,463		25,397	8,253	11,996	512	6	46,163
PUR PWR DEMAND			9.903 %	3.218 %	4.677 %	0.199 %	0.002 %	18.000 %
PUR PWR ENERGY								
Energy	7,013,251	1	682,343	215,862	349,873	13,012	1,667	1,262,756
Total	7,013,251		682,343	215,862	349,873	13,012	1,667	1,262,756
PUR PWR ENERGY			9.729 %	3.078 %	4.989 %	0.186 %	0.024 %	18.005 %
WIRES DEMAND								
Transmission Plant	21,312,148	7	2,103,689	685,417	997,655	43,112	681	3,830,553
Direct - Transmissio	178,650	8	0	0	0	0	0	0
Distrib Substations	15,905,217	9	1,569,979	511,525	744,548	32,174	508	2,858,735
Distrib Backbone	17,278,666	10	1,818,047	592,350	862,192	37,258	589	3,310,435
OH Line 1-Phase 40%	2,217,517	11	220,428	15,967	779	1,168	974	239,316
OH Line 3PH Ext 60%	2,140,594	12	0	241,111	55,867	13,232	0	310,210
UG Line 1PH 40%	1,509,812	13	161,557	0	0	0	0	161,557
Trfrms-RemainderCost	4,565,567	15	458,630	154,321	146,985	11,838	0	771,774
Total	65,108,171		6,332,329	2,200,691	2,808,026	138,781	2,752	11,482,579
WIRES DEMAND			9.726 %	3.380 %	4.313 %	0.213 %	0.004 %	17.636 %
TOTAL CUSTOMER								
OH Line 1-Phase 60%	3,326,276	11	330,641	23,951	1,168	1,753	1,460	358,974
OH Line 3PH Ext 40%	1,427,063	12	0	160,741	37,245	8,821	0	206,806
UG Line 1PH 60%	2,264,719	13	242,335	0	0	0	0	242,335
Transfrms-Min Cost	6,310,105	14	556,580	120,953	20,650	7,375	1,699	707,257
369 Services	3,253,697	16	259,672	86,710	24,086	5,161	1,147	376,777
370 Meters	4,625,882	17	344,355	151,436	25,855	10,877	0	532,522
Direct-Lighting	425,716	18	0	0	0	0	33,505	33,505

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF PLANT

Accounts	Total	A.F.	AZ-RES1	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Meter Reading	1,155,411	19	77,531	26,381	3,315	2,072	0	109,298
Billing & Records	1,873,125	20	196,386	41,570	8,286	2,072	691	249,004
Customer Services	476,858	21	42,024	9,133	1,559	557	186	53,459
Total								
TOTAL	25,138,852		2,049,525	620,873	122,165	38,687	38,688	2,869,938
CUSTOMER			8.153 %	2.470 %	0.486 %	0.154 %	0.154 %	11.416 %
Total								
PLANT	97,516,737		9,089,594	3,045,679	3,292,059	190,992	43,112	15,661,435
			9.321 %	3.123 %	3.376 %	0.196 %	0.044 %	16.060 %

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Summary of Components of Expenses

Accounts	Total	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Average Consumers	12,758	10,579	1,782	218	93	139	1	33
kWh Sold	248,393,466	123,332,406	43,254,279	52,564,357	1,767,696	4,637,048	22,082,000	755,680
Metered kW		584	187,974	158,565	7,447	17,263	1,763	0
Billed kW		0	0	0	0	0	0	0
Pur Pwr Energy	5,762,031	2,862,077	1,003,768	1,219,819	41,022	107,608	510,201	17,536
Monthly Cost per Cons	37.64	22.55	46.94	466.29	36.76	64.51	42,516.78	44.28
Average Cost per kWh	0.023197	0.023206	0.023206	0.023206	0.023206	0.023206	0.023105	0.023206
Cost per Metered kW		4,900.82	5.34	7.69	5.51	6.23	289.39	0.00
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pur Pwr Capacity	4,874,118	2,556,557	953,778	1,000,565	34,774	74,343	252,933	1,167
Monthly Cost per Cons	31.84	20.14	44.60	382.48	31.16	44.57	21,077.75	2.95
Average Cost per kWh	0.019623	0.020729	0.022050	0.019035	0.019672	0.016032	0.011454	0.001544
Cost per Metered kW		4,377.67	5.07	6.31	4.67	4.31	143.47	0.00
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pur Pwr Delivery	-1,212,340	-617,103	-241,994	-244,986	-10,363	-22,384	-75,017	-492
Monthly Cost per Cons	-7.92	-4.86	-11.32	-93.65	-9.29	-13.42	-6,251.40	-1.24
Average Cost per kWh	-0.004881	-0.005004	-0.005595	-0.004661	-0.005863	-0.004827	-0.003397	-0.000651
Cost per Metered kW		-1,056.68	-1.29	-1.55	-1.39	-1.30	-42.55	0.00
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transmission Plant	2,758,907	1,398,267	548,323	555,104	23,482	50,718	181,896	1,115
Monthly Cost per Cons	18.02	11.01	25.64	212.20	21.04	30.41	15,158.04	2.82
Average Cost per kWh	0.011107	0.011337	0.012677	0.010560	0.013284	0.010938	0.008237	0.001476
Cost per Metered kW		2,394.29	2.92	3.50	3.15	2.94	103.17	0.00
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distrib Substations	1,733,825	882,549	346,087	350,367	14,821	32,012	107,285	704
Monthly Cost per Cons	11.33	6.95	16.18	133.93	13.28	19.19	8,940.43	1.78
Average Cost per kWh	0.006980	0.007156	0.008001	0.006665	0.008384	0.006904	0.004858	0.000932
Cost per Metered kW		1,511.21	1.84	2.21	1.99	1.85	60.85	0.00
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00	0.00

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Summary of Components of Expenses

Accounts	Total	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Average Consumers	12,758	10,579	1,782	218	93	139	1	33
kWh Sold	248,393,466	123,332,406	43,254,279	52,564,357	1,767,696	4,637,048	22,082,000	755,680
Metered kW		584	187,974	158,565	7,447	17,263	1,763	0
Billed kW		0	0	0	0	0	0	0
Distrib Backbone	2,596,898	1,409,058	552,555	559,388	23,663	51,110	0	1,124
Monthly Cost per Cons	16.96	11.10	25.84	213.83	21.20	30.64	0.00	2.84
Average Cost per kWh	0.010455	0.011425	0.012775	0.010642	0.013386	0.011022	0.000000	0.001488
Cost per Metered kW		2,412.77	2.94	3.53	3.18	2.96	0.00	0.00
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distrib Demand	1,400,345	876,610	356,038	112,836	15,022	38,878	0	962
Monthly Cost per Cons	9.15	6.91	16.65	43.13	13.46	23.31	0.00	2.43
Average Cost per kWh	0.005638	0.007108	0.008231	0.002147	0.008498	0.008384	0.000000	0.001273
Cost per Metered kW		1,501.05	1.89	0.71	2.02	2.25	0.00	0.00
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distrib Customer	2,206,437	1,640,832	332,481	51,209	16,059	26,501	0	139,355
Monthly Cost per Cons	14.41	12.93	15.55	19.58	14.39	15.89	0.00	351.91
Average Cost per kWh	0.008883	0.013304	0.007687	0.000974	0.009085	0.005715	0.000000	0.184410
Cost per Metered kW		2,809.64	1.77	0.32	2.16	1.54	0.00	0.00
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distrib Metering	1,618,821	1,128,738	387,814	46,963	20,035	35,272	0	0
Monthly Cost per Cons	10.57	8.89	18.14	17.95	17.95	21.15	0.00	0.00
Average Cost per kWh	0.006517	0.009152	0.008966	0.000893	0.011334	0.007606	0.000000	0.000000
Cost per Metered kW		1,932.77	2.06	0.30	2.69	2.04	0.00	0.00
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Meter Reading	834,437	638,031	154,396	17,955	9,027	15,029	0	0
Monthly Cost per Cons	5.45	5.03	7.22	6.86	8.09	9.01	0.00	0.00
Average Cost per kWh	0.003359	0.005173	0.003569	0.000342	0.005107	0.003241	0.000000	0.000000
Cost per Metered kW		1,092.52	0.82	0.11	1.21	0.87	0.00	0.00
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00	0.00

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Summary of Components of Expenses

Accounts	Total	RESIDENTIAL	GS1	GS2	GS3	IRRIg	UT Extra LP	LIGHTS
Average Consumers	12,758	10,579	1,782	218	93	139	1	33
kWh Sold	248,393,466	123,332,406	43,254,279	52,564,357	1,767,696	4,637,048	22,082,000	755,680
Metered kW		584	187,974	158,565	7,447	17,263	1,763	0
Billed kW		0	0	0	0	0	0	0
Billing & Records	1,358,957	1,112,074	192,627	24,798	9,318	16,733	100	3,306
Monthly Cost per Cons	8.88	8.76	9.01	9.48	8.35	10.03	8.35	8.35
Average Cost per kWh	0.005471	0.009017	0.004453	0.000472	0.005271	0.003608	0.000005	0.004375
Cost per Metered kW		1,904.24	1.02	0.16	1.25	0.97	0.06	0.00
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Customer Service	330,784	272,430	45,890	5,614	2,395	3,580	26	850
Monthly Cost per Cons	2.16	2.15	2.15	2.15	2.15	2.15	2.15	2.15
Average Cost per kWh	0.001332	0.002209	0.001061	0.000107	0.001355	0.000772	0.000001	0.001125
Cost per Metered kW		466.49	0.24	0.04	0.32	0.21	0.01	0.00
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue Related	132,952	57,668	25,183	33,223	1,682	2,946	11,344	907
Monthly Cost per Cons	0.87	0.45	1.18	12.70	1.51	1.77	945.32	2.29
Average Cost per kWh	0.000535	0.000468	0.000582	0.000632	0.000952	0.000635	0.000514	0.001200
Cost per Metered kW		98.75	0.13	0.21	0.23	0.17	6.43	0.00
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expenses	24,396,175	14,217,789	4,656,945	3,732,855	200,937	432,345	988,768	166,534
Monthly Cost per Cons	159.35	112.00	217.78	1,426.93	180.05	259.20	82,397.41	420.54
Average Cost per kWh	0.098216	0.115280	0.107664	0.071015	0.113672	0.093237	0.044777	0.220377
Cost per Metered kW		24,345.53	24.77	23.54	26.98	25.04	560.84	0.00
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00	0.00

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Summary of Components of Expenses

Accounts	Total	RESIDENTIAL	GS1	GS2	GS3	IRRI	UT Extra LP	LIGHTS
Average Consumers	12,758	10,579	1,782	218	93	139	1	33
kWh Sold	248,393,466	123,332,406	43,254,279	52,564,357	1,767,696	4,637,048	22,082,000	755,680
Metered kW		584	187,974	158,565	7,447	17,263	1,763	0
Billed kW		0	0	0	0	0	0	0
PUR PWR DEMAND								
Monthly Cost per Cons	3,661,778	1,939,454	711,785	755,579	24,411	51,959	177,916	675
Average Cost per kWh	23.92	15.28	33.29	288.83	21.87	31.15	14,826.35	1.70
Cost per Metered kW	0.014742	0.015725	0.016456	0.014374	0.013809	0.011205	0.008057	0.000893
Cost per Billed kW		3,320.98	3.79	4.77	3.28	3.01	100.92	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00
PUR PWR ENERGY								
Monthly Cost per Cons	5,762,031	2,862,077	1,003,768	1,219,819	41,022	107,608	510,201	17,536
Average Cost per kWh	37.64	22.55	46.94	466.29	36.76	64.51	42,516.78	44.28
Cost per Metered kW	0.023197	0.023206	0.023206	0.023206	0.023206	0.023206	0.023105	0.023206
Cost per Billed kW		4,900.82	5.34	7.69	5.51	6.23	289.39	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00
WIRES DEMAND								
Monthly Cost per Cons	8,489,976	4,566,484	1,803,003	1,577,695	76,988	172,718	289,182	3,906
Average Cost per kWh	55.46	35.97	84.32	603.09	68.99	103.55	24,098.47	9.86
Cost per Metered kW	0.034180	0.037026	0.041684	0.030015	0.043553	0.037248	0.013096	0.005169
Cost per Billed kW		7,819.32	9.59	9.95	10.34	10.01	164.03	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL CUSTOMER								
Monthly Cost per Cons	6,482,390	4,849,774	1,138,390	179,763	58,517	100,059	11,470	144,418
Average Cost per kWh	42.34	38.20	53.24	68.72	52.43	59.99	955.81	364.69
Cost per Metered kW	0.026097	0.039323	0.026319	0.003420	0.033103	0.021578	0.000519	0.191110
Cost per Billed kW		8,304.41	6.06	1.13	7.86	5.80	6.51	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expenses								
Monthly Cost per Cons	24,396,175	14,217,789	4,656,945	3,732,855	200,937	432,345	988,768	166,534
Average Cost per kWh	159.35	112.00	217.78	1,426.93	180.05	259.20	82,397.41	420.54
Cost per Metered kW	0.098216	0.115280	0.107664	0.071015	0.113672	0.093237	0.044777	0.220377
Cost per Billed kW		24,345.53	24.77	23.54	26.98	25.04	560.84	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00

CoOPTIONS:® Cost of Service
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GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Summary of Components of Expenses

Accounts	Total	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Average Consumers	12,758	1,132	246	42	15	5	1,440
kWh Sold	248,393,466	23,964,088	7,581,128	12,287,636	456,973	58,560	44,348,385
Metered kW		584	28,058	37,140	1,948	0	67,730
Billed kW		0	0	0	0	0	0
Pur Pwr Energy	5,762,031	556,116	175,929	285,149	10,605	1,359	1,029,158
Monthly Cost per Cons	37.64	40.94	59.60	565.77	58.91	22.65	59.56
Average Cost per kWh	0.023197	0.023206	0.023206	0.023206	0.023206	0.023206	0.023206
Cost per Metered kW		952.25	6.27	7.68	5.44	0.00	15.20
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00
Pur Pwr Capacity	4,874,118	705,195	218,790	282,241	8,168	89	1,214,483
Monthly Cost per Cons	31.84	51.91	74.12	560.00	45.38	1.48	70.28
Average Cost per kWh	0.019623	0.029427	0.028860	0.022969	0.017875	0.001512	0.027385
Cost per Metered kW		1,207.53	7.80	7.60	4.19	0.00	17.93
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00
Pur Pwr Delivery	-1,212,340	-119,668	-38,990	-56,751	-2,452	-39	-217,901
Monthly Cost per Cons	-7.92	-8.81	-13.21	-112.60	-13.62	-0.65	-12.61
Average Cost per kWh	-0.004881	-0.004994	-0.005143	-0.004619	-0.005367	-0.000662	-0.004913
Cost per Metered kW		-204.91	-1.39	-1.53	-1.26	0.00	-3.22
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00
Transmission Plant	2,758,907	271,151	88,345	128,591	5,557	88	493,732
Monthly Cost per Cons	18.02	19.96	29.93	255.14	30.87	1.46	28.57
Average Cost per kWh	0.011107	0.011315	0.011653	0.010465	0.012160	0.001499	0.011133
Cost per Metered kW		464.30	3.15	3.46	2.85	0.00	7.29
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00
Distrib Substations	1,733,825	171,143	55,761	81,163	3,507	55	311,630
Monthly Cost per Cons	11.33	12.60	18.89	161.04	19.48	0.92	18.03
Average Cost per kWh	0.006980	0.007142	0.007355	0.006605	0.007675	0.000946	0.007027
Cost per Metered kW		293.05	1.99	2.19	1.80	0.00	4.60
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Summary of Components of Expenses

Accounts	Total	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Average Consumers							
kWh Sold	12,758	1,132	246	42	15	5	1,440
Metered kW	248,393,466	23,964,088	7,581,128	12,287,636	456,973	58,560	44,348,385
Billed kW		584	28,058	37,140	1,948	0	67,730
		0	0	0	0	0	0
Distrib Backbone							
Monthly Cost per Cons	2,596,898	273,243	89,027	129,583	5,600	88	497,542
Average Cost per kWh	16.96	20.12	30.16	257.11	31.11	1.47	28.79
Cost per Metered kW	0.010455	0.011402	0.011743	0.010546	0.012254	0.001511	0.011219
Cost per Billed kW		467.88	3.17	3.49	2.87	0.00	7.35
		0.00	0.00	0.00	0.00	0.00	0.00
Distrib Demand							
Monthly Cost per Cons	1,400,345	110,135	53,385	22,665	3,299	146	189,629
Average Cost per kWh	9.15	8.11	18.08	44.97	18.33	2.43	10.97
Cost per Metered kW	0.005638	0.004596	0.007042	0.001845	0.007218	0.002490	0.004276
Cost per Billed kW		188.59	1.90	0.61	1.69	0.00	2.80
		0.00	0.00	0.00	0.00	0.00	0.00
Distrib Customer							
Monthly Cost per Cons	2,206,437	175,576	47,023	9,883	2,753	11,201	248,436
Average Cost per kWh	14.41	12.93	15.93	19.61	15.29	186.68	14.26
Cost per Metered kW	0.008883	0.007327	0.006203	0.000804	0.006025	0.191266	0.005557
Cost per Billed kW		300.64	1.68	0.27	1.41	0.00	3.64
		0.00	0.00	0.00	0.00	0.00	0.00
Distrib Metering							
Monthly Cost per Cons	1,618,821	120,507	52,995	9,048	3,806	0	186,355
Average Cost per kWh	10.57	8.87	17.95	17.95	21.15	0.00	10.78
Cost per Metered kW	0.006517	0.005029	0.006990	0.000736	0.008329	0.000000	0.004202
Cost per Billed kW		206.35	1.89	0.24	1.95	0.00	2.75
		0.00	0.00	0.00	0.00	0.00	0.00
Meter Reading							
Monthly Cost per Cons	834,437	55,993	19,052	2,394	1,496	0	78,935
Average Cost per kWh	5.45	4.12	6.45	4.75	8.31	0.00	4.57
Cost per Metered kW	0.003359	0.002337	0.002513	0.000195	0.003274	0.000000	0.001780
Cost per Billed kW		95.88	0.68	0.06	0.77	0.00	1.17
		0.00	0.00	0.00	0.00	0.00	0.00

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Summary of Components of Expenses

Accounts	Total	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Average Consumers	12,758	1,132	246	42	15	5	1,440
kWh Sold	248,393,466	23,964,088	7,581,128	12,287,636	456,973	58,560	44,348,385
Metered kW		584	28,058	37,140	1,948	0	67,730
Billed kW		0	0	0	0	0	0
Billing & Records	1,358,957	142,479	30,159	6,012	1,503	501	180,653
Monthly Cost per Cons	8.88	10.49	10.22	11.93	8.35	8.35	10.45
Average Cost per kWh	0.005471	0.005946	0.003978	0.000489	0.003289	0.008555	0.004074
Cost per Metered kW		243.97	1.07	0.16	0.77	0.00	2.67
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00
Customer Service	330,784	29,151	6,335	1,082	386	129	37,083
Monthly Cost per Cons	2.16	2.15	2.15	2.15	2.15	2.15	2.15
Average Cost per kWh	0.001332	0.001216	0.000836	0.000088	0.000845	0.002199	0.000836
Cost per Metered kW		49.92	0.23	0.03	0.20	0.00	0.55
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00
Revenue Related	132,952	15,487	4,780	8,328	276	77	28,947
Monthly Cost per Cons	0.87	1.14	1.62	16.52	1.53	1.28	1.68
Average Cost per kWh	0.000535	0.000646	0.000630	0.000678	0.000604	0.001308	0.000653
Cost per Metered kW		26.52	0.17	0.22	0.14	0.00	0.43
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00
Total Expenses	24,396,175	2,506,507	802,592	909,386	44,503	13,693	4,276,682
Monthly Cost per Cons	159.35	184.52	271.88	1,804.34	247.24	228.22	247.49
Average Cost per kWh	0.098216	0.104594	0.105867	0.074008	0.097387	0.233830	0.096434
Cost per Metered kW		4,291.96	28.60	24.49	22.85	0.00	63.14
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Summary of Components of Expenses

Accounts	Total	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Average Consumers	12,758	1,132	246	42	15	5	1,440
kWh Sold	248,393,466	23,964,088	7,581,128	12,287,636	456,973	58,560	44,348,385
Metered kW		584	28,058	37,140	1,948	0	67,730
Billed kW		0	0	0	0	0	0
PUR PWR DEMAND	3,661,778	585,527	179,800	225,489	5,716	50	986,582
Monthly Cost per Cons	23.92	43.10	60.91	447.40	31.75	0.83	57.67
Average Cost per kWh	0.014742	0.024434	0.023717	0.018351	0.012508	0.000850	0.022472
Cost per Metered kW		1,002.61	6.41	6.07	2.93	0.00	14.71
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00
PUR PWR ENERGY	5,762,031	556,116	175,929	285,149	10,605	1,359	1,029,188
Monthly Cost per Cons	37.64	40.94	59.60	565.77	58.91	22.65	59.56
Average Cost per kWh	0.023197	0.023206	0.023206	0.023206	0.023206	0.023206	0.023206
Cost per Metered kW		952.25	6.27	7.68	5.44	0.00	15.20
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00
WIRES DEMAND	8,489,976	825,673	286,519	362,002	17,962	377	1,492,533
Monthly Cost per Cons	55.46	60.78	97.06	718.26	99.79	6.29	86.37
Average Cost per kWh	0.034180	0.034455	0.037794	0.029461	0.039307	0.006446	0.033655
Cost per Metered kW		1,413.82	10.21	9.75	9.22	0.00	22.04
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00
TOTAL CUSTOMER	6,482,390	539,192	160,344	36,746	10,221	11,907	758,410
Monthly Cost per Cons	42.34	39.69	54.32	72.91	56.78	198.45	43.89
Average Cost per kWh	0.026097	0.022500	0.021150	0.002990	0.022366	0.203328	0.017101
Cost per Metered kW		923.27	5.71	0.99	5.25	0.00	11.20
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00
Total Expenses	24,396,175	2,506,507	802,592	909,386	44,503	13,693	4,276,682
Monthly Cost per Cons	159.35	184.52	271.88	1,804.34	247.24	228.22	247.49
Average Cost per kWh	0.098216	0.104594	0.105867	0.074008	0.097387	0.233830	0.096434
Cost per Metered kW		4,291.96	28.60	24.49	22.85	0.00	63.14
Cost per Billed kW		0.00	0.00	0.00	0.00	0.00	0.00

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF EXPENSES

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Pur Pwr Energy									
Energy	5,715,864	1	2,862,077	1,003,768	1,219,819	41,022	107,608	464,034	17,536
PurPwr Direct-LP15	46,167	5	0	0	0	0	0	46,167	0
Total	5,762,031		2,862,077	1,003,768	1,219,819	41,022	107,608	510,201	17,536
Pur Pwr Energy			49.671 %	17.420 %	21.170 %	0.712 %	1.868 %	8.855 %	0.304 %
Pur Pwr Capacity									
Pur Pwr Capacity	4,095,390	2	2,089,824	816,290	825,972	34,862	74,343	252,933	1,167
Pur Pwr-Direct-Kanab	-21,814	3	-9,575	-7,552	-4,599	-87	0	0	0
PurPwr Dir - TwinCit	800,541	4	476,308	145,040	179,193	0	0	0	0
Total	4,874,118		2,566,557	953,778	1,000,565	34,774	74,343	252,933	1,167
Pur Pwr Capacity			52.452 %	19.568 %	20.528 %	0.713 %	1.525 %	5.189 %	0.024 %
Pur Pwr Delivery									
Pur Pwr Delivery	-1,212,340	6	-617,103	-241,994	-244,986	-10,363	-22,384	-75,017	-492
Total	-1,212,340		-617,103	-241,994	-244,986	-10,363	-22,384	-75,017	-492
Pur Pwr Delivery			50.902 %	19.961 %	20.208 %	0.855 %	1.846 %	6.188 %	0.041 %
Transmission Plant									
Transmission Plant	2,746,988	7	1,398,267	548,323	555,104	23,482	50,718	169,977	1,115
Direct - Transmissio	11,919	8	0	0	0	0	0	11,919	0
Total	2,758,907		1,398,267	548,323	555,104	23,482	50,718	181,896	1,115
Transmission Plant			50.682 %	19.875 %	20.120 %	0.851 %	1.838 %	6.593 %	0.040 %
Distrib Substations									
Distrib Substations	1,733,825	9	882,549	346,087	350,367	14,821	32,012	107,285	704
Total	1,733,825		882,549	346,087	350,367	14,821	32,012	107,285	704
Distrib Substations			50.902 %	19.961 %	20.208 %	0.855 %	1.846 %	6.188 %	0.041 %

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF EXPENSES

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Distrib Backbone									
Distrib Backbone	2,596,898	10	1,409,058	552,555	559,388	23,663	51,110	0	1,124
Total									
Distrib Backbone	2,596,898		1,409,058	552,555	559,388	23,663	51,110	0	1,124
			54,259 %	21,277 %	21,541 %	0,911 %	1,968 %	0.000 %	0.043 %
Distrib Demand									
OH Line 1-Phase 40%	332,051	11	308,463	19,303	612	1,370	1,341	0	962
OH Line 3PH Ext 60%	320,533	12	0	246,564	43,369	10,127	20,474	0	0
UG Line 1PH 40%	307,231	13	307,231	0	0	0	0	0	0
Trfrms-RemainderCost	440,530	15	260,917	90,171	68,855	3,524	17,063	0	0
Total									
Distrib Demand	1,400,345		876,610	356,038	112,836	15,022	38,878	0	962
			62.600 %	25.425 %	8.058 %	1.073 %	2.776 %	0.000 %	0.069 %
Distrib Customer									
OH Line 1-Phase 60%	498,077	11	462,694	28,954	918	2,056	2,012	0	1,443
OH Line 3PH Ext 40%	213,689	12	0	164,376	28,913	6,751	13,649	0	0
UG Line 1PH 60%	460,846	13	460,846	0	0	0	0	0	0
Transfrms-Min Cost	608,860	14	501,888	84,542	10,342	4,412	6,594	0	1,082
369 Services	288,807	16	215,404	54,610	11,036	2,840	4,245	0	672
Direct-Lighting	136,158	18	0	0	0	0	0	0	136,158
Total									
Distrib Customer	2,206,437		1,640,832	332,481	51,209	16,059	26,501	0	139,355
			74.366 %	15.069 %	2.321 %	0.728 %	1.201 %	0.000 %	6.316 %
Distrib Metering									
370 Meters	1,618,821	17	1,128,738	387,814	46,963	20,035	35,272	0	0
Total									
Distrib Metering	1,618,821		1,128,738	387,814	46,963	20,035	35,272	0	0
			69.726 %	23.957 %	2.901 %	1.238 %	2.179 %	0.000 %	0.000 %

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF EXPENSES

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
Meter Reading									
Meter Reading	834,437	19	638,031	154,396	17,955	9,027	15,029	0	0
Total	834,437		638,031	154,396	17,955	9,027	15,029	0	0
Meter Reading			76,462 %	18,503 %	2,152 %	1,082 %	1,801 %	0.000 %	0.000 %
Billing & Records									
Billing & Records	1,358,957	20	1,112,074	192,627	24,798	9,318	16,733	100	3,306
Total	1,358,957		1,112,074	192,627	24,798	9,318	16,733	100	3,306
Billing & Records			81.833 %	14.175 %	1.825 %	0.686 %	1.231 %	0.007 %	0.243 %
Customer Service									
Customer Services	330,784	21	272,430	45,890	5,614	2,395	3,580	26	850
Total	330,784		272,430	45,890	5,614	2,395	3,580	26	850
Customer Service			82.359 %	13.873 %	1.697 %	0.724 %	1.082 %	0.008 %	0.257 %
Revenue Related									
Rate Base Deducts	-37,299	23	-30,719	-5,175	-633	-270	-404	-3	-96
Base Revenue	167,723	24	87,124	29,912	33,072	1,952	3,318	11,347	999
PCA Revenue	2,528	25	1,263	445	785	0	32	0	4
Total	132,952		57,668	25,183	33,223	1,682	2,946	11,344	907
Revenue Related			43.375 %	18.941 %	24.989 %	1.265 %	2.216 %	8.532 %	0.682 %
Total	24,396,175		14,217,789	4,656,945	3,732,855	200,937	432,345	988,769	166,535
EXPENSES			58.279 %	19.089 %	15.301 %	0.824 %	1.772 %	4.053 %	0.683 %

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF EXPENSES

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
PUR PWR DEMAND									
Pur Pwr Capacity	4,095,390	2	2,089,824	816,290	825,972	34,862	74,343	252,933	1,167
Pur Pwr-Direct-Kanab	-21,814	3	-9,575	-7,552	-4,599	-87	0	0	0
PurPwr Dir - TwinCit	800,541	4	476,308	145,040	179,193	0	0	0	0
Pur Pwr Delivery	-1,212,340	6	-617,103	-241,994	-244,986	-10,363	-22,384	-75,017	-492
Total	3,661,778		1,939,454	711,785	755,579	24,411	51,959	177,916	675
PUR PWR DEMAND			52.965 %	19.438 %	20.634 %	0.667 %	1.419 %	4.859 %	0.018 %
PUR PWR ENERGY									
Energy	5,715,864	1	2,862,077	1,003,768	1,219,819	41,022	107,608	464,034	17,536
PurPwr Direct-LP15	46,167	5	0	0	0	0	0	46,167	0
Total	5,762,031		2,862,077	1,003,768	1,219,819	41,022	107,608	510,201	17,536
PUR PWR ENERGY			49.671 %	17.420 %	21.170 %	0.712 %	1.868 %	8.855 %	0.304 %
WIRES DEMAND									
Transmission Plant	2,746,988	7	1,398,267	548,323	555,104	23,482	50,718	169,977	1,115
Direct - Transmissio	11,919	8	0	0	0	0	0	11,919	0
Distrib Substations	1,733,825	9	882,549	346,087	350,367	14,821	32,012	107,285	704
Distrib Backbone	2,596,898	10	1,409,058	552,555	559,388	23,663	51,110	0	1,124
OH Line 1-Phase 40%	332,051	11	308,463	19,303	612	1,370	1,341	0	962
OH Line 3PH Ext 60%	320,533	12	0	246,564	43,369	10,127	20,474	0	0
UG Line 1PH 40%	307,231	13	307,231	0	0	0	0	0	0
Trfrms-RemainderCost	440,530	15	260,917	90,171	68,855	3,524	17,063	0	0
Total	8,489,976		4,566,484	1,803,003	1,577,695	76,988	172,718	289,182	3,906
WIRES DEMAND			53.787 %	21.237 %	18.583 %	0.907 %	2.034 %	3.406 %	0.046 %

GARKANE ENERGY COOPERATIVE, INC.
UBUNDLED COSTS W/UNIFORM ROR- TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF EXPENSES

Accounts	Total	A.F.	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
TOTAL CUSTOMER									
OH Line 1-Phase 60%	498,077	11	462,694	28,954	918	2,056	2,012	0	1,443
OH Line 3PH Ext 40%	213,689	12	0	164,376	28,913	6,751	13,649	0	0
UG Line 1PH 60%	460,846	13	460,846	0	0	0	0	0	0
Transfms-Min Cost	608,860	14	501,888	84,542	10,342	4,412	6,594	0	1,082
369 Services	288,807	16	215,404	54,610	11,036	2,840	4,245	0	672
370 Meters	1,618,821	17	1,128,738	387,814	46,963	20,035	35,272	0	0
Direct-Lighting	136,158	18	0	0	0	0	0	0	136,158
Meter Reading	834,437	19	638,031	154,396	17,955	9,027	15,029	0	0
Billing & Records	1,358,957	20	1,112,074	192,627	24,798	9,318	16,733	100	3,306
Customer Services	330,784	21	272,430	45,890	5,614	2,395	3,580	26	850
Rate Base Deducts	-37,299	23	-30,719	-5,175	-633	-270	-404	-3	-96
Base Revenue	167,723	24	87,124	29,912	33,072	1,952	3,318	11,347	999
PCA Revenue	2,528	25	1,263	445	785	0	32	0	4
Total	6,482,390		4,849,774	1,138,390	179,763	58,517	100,059	11,470	144,418
TOTAL			74,815 %	17,561 %	2,773 %	0,903 %	1,544 %	0,177 %	2,228 %
CUSTOMER									
Total	24,396,175		14,217,789	4,656,945	3,732,855	200,937	432,345	988,769	166,535
EXPENSES			58,279 %	19,089 %	15,301 %	0,824 %	1,772 %	4,053 %	0,683 %

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF EXPENSES

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Pur Pwr Energy								
Energy	5,715,864	1	556,116	175,929	285,149	10,605	1,359	1,029,158
PurPwr Direct-LP15	46,167	5	0	0	0	0	0	0
Total	5,762,031		556,116	175,929	285,149	10,605	1,359	1,029,158
Pur Pwr Energy			9.651 %	3.053 %	4.949 %	0.184 %	0.024 %	17.861 %
Pur Pwr Capacity								
Pur Pwr Capacity	4,095,390	2	405,562	131,786	191,555	8,168	89	737,159
Pur Pwr-Direct-Kanab	-21,814	3	0	0	0	0	0	0
PurPwr Dir - TwinCit	800,541	4	299,633	87,004	90,686	0	0	477,323
Total	4,874,118		705,195	218,790	282,241	8,168	89	1,214,483
Pur Pwr Capacity			14.468 %	4.489 %	5.791 %	0.168 %	0.002 %	24.917 %
Pur Pwr Delivery								
Pur Pwr Delivery	-1,212,340	6	-119,668	-38,990	-56,751	-2,452	-39	-217,901
Total	-1,212,340		-119,668	-38,990	-56,751	-2,452	-39	-217,901
Pur Pwr Delivery			9.871 %	3.216 %	4.681 %	0.202 %	0.003 %	17.974 %
Transmission Plant								
Transmission Plant	2,746,988	7	271,151	88,345	128,591	5,557	88	493,732
Direct - Transmissio	11,919	8	0	0	0	0	0	0
Total	2,758,907		271,151	88,345	128,591	5,557	88	493,732
Transmission Plant			9.828 %	3.202 %	4.661 %	0.201 %	0.003 %	17.896 %
Distrib Substations								
Distrib Substations	1,733,825	9	171,143	55,761	81,163	3,507	55	311,630
Total	1,733,825		171,143	55,761	81,163	3,507	55	311,630
Distrib Substations			9.871 %	3.216 %	4.681 %	0.202 %	0.003 %	17.974 %

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF EXPENSES

Accounts	Total	A.F.	AZ-RESJ	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Distrib Backbone								
Distrib Backbone	2,596,898	10	273,243	89,027	129,583	5,600	88	497,542
Total	2,596,898		273,243	89,027	129,583	5,600	88	497,542
Distrib Backbone			10.522 %	3.428 %	4.990 %	0.216 %	0.003 %	19.159 %
Distrib Demand								
OH Line 1-Phase 40%	332,051	11	33,007	2,391	117	175	146	35,835
OH Line 3PH Ext 60%	320,533	12	0	36,104	8,366	1,981	0	46,451
UG Line 1PH 40%	307,231	13	32,875	0	0	0	0	32,875
Trfrms-RemainderCost	440,530	15	44,253	14,890	14,183	1,142	0	74,468
Total	1,400,345		110,135	53,385	22,665	3,299	146	189,629
Distrib Demand			7.865 %	3.812 %	1.619 %	0.236 %	0.010 %	13.542 %
Distrib Customer								
OH Line 1-Phase 60%	498,077	11	49,510	3,586	175	262	219	53,753
OH Line 3PH Ext 40%	213,689	12	0	24,069	5,577	1,321	0	30,967
UG Line 1PH 60%	460,846	13	49,313	0	0	0	0	49,313
Transfrms-Min Cost	608,860	14	53,704	11,671	1,993	712	164	68,243
369 Services	288,807	16	23,049	7,697	2,138	458	102	33,444
Direct-Lighting	136,158	18	0	0	0	0	10,716	10,716
Total	2,206,437		175,576	47,023	9,883	2,753	11,201	246,436
Distrib Customer			7.957 %	2.131 %	0.448 %	0.125 %	0.508 %	11.169 %
Distrib Metering								
370 Meters	1,618,821	17	120,507	52,995	9,048	3,806	0	186,355
Total	1,618,821		120,507	52,995	9,048	3,806	0	186,355
Distrib Metering			7.444 %	3.274 %	0.559 %	0.235 %	0.000 %	11.512 %

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF EXPENSES

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
Meter Reading								
Meter Reading	834,437	19	55,993	19,052	2,394	1,496	0	78,935
Total	834,437							
Meter Reading			55,993	19,052	2,394	1,496	0	78,935
			6.710 %	2.283 %	0.287 %	0.179 %	0.000 %	9.460 %
Billing & Records								
Billing & Records	1,358,957	20	142,479	30,159	6,012	1,503	501	180,653
Total	1,358,957							
Billing & Records			142,479	30,159	6,012	1,503	501	180,653
			10.484 %	2.219 %	0.442 %	0.111 %	0.037 %	13.294 %
Customer Service								
Customer Services	330,784	21	29,151	6,335	1,082	386	129	37,083
Total	330,784							
Customer Service			29,151	6,335	1,082	386	129	37,083
			8.813 %	1.915 %	0.327 %	0.117 %	0.039 %	11.211 %
Revenue Related								
Rate Base Deducts	-37,299	23	-3,287	-714	-122	-44	-15	-4,181
Base Revenue	167,723	24	17,751	5,133	7,801	288	87	31,060
PCA Revenue	2,528	25	1,023	362	649	32	4	2,069
Total	132,952							
Revenue Related			15,487	4,780	8,328	276	77	28,947
			11.648 %	3.595 %	6.264 %	0.207 %	0.058 %	21.773 %
Total	24,396,175		2,506,507	802,592	909,386	44,503	13,693	4,276,683
EXPENSES			10.274 %	3.290 %	3.728 %	0.182 %	0.056 %	17.530 %

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GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF EXPENSES

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
PUR PWR DEMAND								
Pur Pwr Capacity	4,095,390	2	405,562	131,786	191,555	8,168	89	737,159
Pur Pwr-Direct-Kanab	-21,814	3	0	0	0	0	0	0
PurPwr Dir - TwinCit	800,541	4	299,633	87,004	90,686	0	0	477,323
Pur Pwr Delivery	-1,212,340	6	-119,668	-38,990	-56,751	-2,452	-39	-217,901
Total	3,661,778		585,527	179,800	225,489	5,716	50	996,582
PUR PWR DEMAND			15,990 %	4,910 %	6,158 %	0.156 %	0.001 %	27,216 %
PUR PWR ENERGY								
Energy	5,715,864	1	556,116	175,929	285,149	10,605	1,359	1,029,158
PurPwr Direct-LP15	46,167	5	0	0	0	0	0	0
Total	5,762,031		556,116	175,929	285,149	10,605	1,359	1,029,158
PUR PWR ENERGY			9,651 %	3,053 %	4,949 %	0.184 %	0.024 %	17,861 %
WIRES DEMAND								
Transmission Plant	2,746,988	7	271,151	88,345	128,591	5,557	88	493,732
Direct - Transmissio	11,919	8	0	0	0	0	0	0
Distrib Substations	1,733,825	9	171,143	55,761	81,163	3,507	55	311,630
Distrib Backbone	2,596,898	10	273,243	89,027	129,583	5,600	88	497,542
OH Line 1-Phase 40%	332,051	11	33,007	2,391	117	175	146	35,835
OH Line 3PH Ext 60%	320,533	12	0	36,104	8,366	1,981	0	46,451
UG Line 1PH 40%	307,231	13	32,875	0	0	0	0	32,875
Trfrms-RemainderCost	440,530	15	44,253	14,890	14,183	1,142	0	74,468
Total	8,489,976		825,673	286,519	362,002	17,962	377	1,492,533
WIRES DEMAND			9,725 %	3,375 %	4,264 %	0.212 %	0.004 %	17,580 %

GARKANE ENERGY COOPERATIVE, INC.
UNBUNDLED RATES W/UNIFORM ROR - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
COMPONENTS OF EXPENSES

Accounts	Total	A.F.	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
TOTAL CUSTOMER								
OH Line 1-Phase 60%	498,077	11	49,510	3,586	175	262	219	53,753
OH Line 3PH Ext 40%	213,689	12	0	24,069	5,577	1,321	0	30,967
UG Line 1PH 60%	460,846	13	49,313	0	0	0	0	49,313
Transfms-Min Cost	608,860	14	53,704	11,671	1,993	712	164	68,243
369 Services	288,807	16	23,049	7,697	2,138	458	102	33,444
370 Meters	1,618,821	17	120,507	52,995	9,048	3,806	0	186,355
Direct-Lighting	136,158	18	0	0	0	0	10,716	10,716
Meter Reading	834,437	19	55,993	19,052	2,394	1,496	0	78,935
Billing & Records	1,358,957	20	142,479	30,159	6,012	1,503	501	180,653
Customer Services	330,784	21	29,151	6,335	1,082	386	129	37,083
Rate Base Deducts	-37,299	23	-3,287	-714	-122	-44	-15	-4,181
Base Revenue	167,723	24	17,751	5,133	7,801	288	87	31,060
PCA Revenue	2,528	25	1,023	362	649	32	4	2,069
Total	6,482,390		539,192	160,344	36,746	10,221	11,907	758,410
TOTAL CUSTOMER			8.318 %	2.474 %	0.567 %	0.158 %	0.184 %	11.700 %
Total EXPENSES	24,396,175		2,506,507	802,592	909,386	44,503	13,693	4,276,683
			10.274 %	3.290 %	3.728 %	0.182 %	0.056 %	17.530 %

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Derivation of Factor 1: Energy

Class	Class Name	Sales	Loss	Purchases	Percent
1	UT Res	76,651,156	9.446048	84,646,947	31.120095
2	UT Res-KC	14,103,282	9.446048	15,574,452	5.725882
3	UT Res-Hil	8,441,459	9.446048	9,322,022	3.427202
4	UT GS1	22,664,835	9.446048	25,029,095	9.201842
5	UT GS1-KC	9,900,902	9.446048	10,933,705	4.019731
6	UT GS1-Hil	1,871,920	9.446048	2,067,188	0.759993
7	UT GS2	27,865,952	9.446048	30,772,762	11.313477
8	UT GS2-KC	7,782,300	9.446048	8,594,103	3.159586
9	UT GS2-Hil	4,513,476	9.446048	4,984,295	1.832455
10	UT GS3	1,660,162	9.446048	1,833,340	0.674020
11	UT GS3-KC	107,534	9.446048	118,751	0.043658
12	UT PB1-Hil	759,021	9.446048	838,198	0.308160
13	UT PB2-Hil	114,993	9.446048	126,988	0.046687
14	UT NM Res	172,421	9.446048	190,407	0.070002
15	UT NM Comm	476,473	9.446048	526,176	0.193446
16	UT Irrig	3,930,549	9.446048	4,340,560	1.595789
17	UT Irrig Pump	249,526	9.446048	275,555	0.101307
18	UT Extra LP	22,082,000	0.000000	22,082,000	8.118355
19	UT Lights	578,640	9.446048	639,000	0.234926
20	UT Lights-KC	118,480	9.446048	130,839	0.048102
21	AZ Res	9,655,350	9.446048	10,662,539	3.920038
22	AZ Rec-CC	14,308,738	9.446048	15,801,340	5.809296
23	AZ GS1	2,840,638	9.446048	3,136,956	1.153289
24	AZ GS1-CC	2,985,849	9.446048	3,297,315	1.212244
25	AZ GS2	7,774,755	9.446048	8,585,771	3.156523
26	AZ GS2-CC	1,881,017	9.446048	2,077,233	0.763686
27	AZ Pub Bldg	537,498	9.446048	593,567	0.218222
28	AZ PB1-CC	1,217,143	9.446048	1,344,108	0.494156

Supporting Schedule:
E-7.1 E-7.10

GARKANE ENERGY COOPERATIVE, INC.
 EXISTING RATES - TOTAL SYSTEM
 ADJUSTED TEST YEAR ENDING 12/31/2013
 Derivation of Factor 2: Pur Pwr Capacity

Class	Class Name	Amount	Percent
1	UT Res	161,366.00	31.708659
2	UT Res-KC	29,803.00	5.856334
3	UT Res-Hil	17,754.00	3.488687
4	UT GS1	54,540.00	10.717191
5	UT GS1-KC	23,506.00	4.618964
6	UT GS1-Hil	4,317.00	0.848297
7	UT GS2	55,624.00	10.930199
8	UT GS2-KC	14,316.00	2.813115
9	UT GS2-Hil	8,643.00	1.698362
10	UT GS3	4,060.00	0.797796
11	UT GS3-KC	272.00	0.053448
12	UT PB1-Hil	1,515.00	0.297700
13	UT PB2-Hil	251.00	0.049322
14	UT NM Res	367.00	0.072116
15	UT NM Comm	1,180.00	0.231872
16	UT Irrig	7,208.00	1.416383
17	UT Irrig Pump	1,015.00	0.199449
18	UT Extra LP	31,430.00	6.176042
19	UT Lights	111.00	0.021812
20	UT Lights-KC	23.00	0.004520
21	AZ Res	20,286.00	3.986229
22	AZ Rec-CC	30,110.00	5.916660
23	AZ GS1	6,397.00	1.257020
24	AZ GS1-CC	6,560.00	1.289050
25	AZ GS2	14,690.00	2.886607
26	AZ GS2-CC	3,671.00	0.721357
27	AZ Pub Bldg	1,236.00	0.242876
28	AZ PB1-CC	2,183.00	0.428963

Supporting Schedule:
 I-2.0

GARKANE ENERGY COOPERATIVE, INC.
 EXISTING RATES - TOTAL SYSTEM
 ADJUSTED TEST YEAR ENDING 12/31/2013
 Derivation of Factor 3: Pur Pwr-Direct-Kanab

Class	Class Name	Amount	Percent
1	UT Res	0.00	0.000000
2	UT Res-KC	29,803.00	43.894428
3	UT Res-Hil	0.00	0.000000
4	UT GS1	0.00	0.000000
5	UT GS1-KC	23,506.00	34.620086
6	UT GS1-Hil	0.00	0.000000
7	UT GS2	0.00	0.000000
8	UT GS2-KC	14,316.00	21.084879
9	UT GS2-Hil	0.00	0.000000
10	UT GS3	0.00	0.000000
11	UT GS3-KC	272.00	0.400607
12	UT PB1-Hil	0.00	0.000000
13	UT PB2-Hil	0.00	0.000000
14	UT NM Res	0.00	0.000000
15	UT NM Comm	0.00	0.000000
16	UT Irrig	0.00	0.000000
17	UT Irrig Pump	0.00	0.000000
18	UT Extra LP	0.00	0.000000
19	UT Lights	0.00	0.000000
20	UT Lights-KC	0.00	0.000000
21	AZ Res	0.00	0.000000
22	AZ Rec-CC	0.00	0.000000
23	AZ GS1	0.00	0.000000
24	AZ GS1-CC	0.00	0.000000
25	AZ GS2	0.00	0.000000
26	AZ GS2-CC	0.00	0.000000
27	AZ Pub Bldg	0.00	0.000000
28	AZ PB1-CC	0.00	0.000000

Supporting Schedule:
 I-2.0

GARKANE ENERGY COOPERATIVE, INC.
 EXISTING RATES - TOTAL SYSTEM
 ADJUSTED TEST YEAR ENDING 12/31/2013
 Derivation of Factor 4: PurPwr Dir - TwinCit

Class	Class Name	Amount	Percent
1	UT Res	0.00	0.000000
2	UT Res-KC	0.00	0.000000
3	UT Res-Hil	17,754.00	22.069463
4	UT GS1	0.00	0.000000
5	UT GS1-KC	0.00	0.000000
6	UT GS1-Hil	4,317.00	5.366333
7	UT GS2	0.00	0.000000
8	UT GS2-KC	0.00	0.000000
9	UT GS2-Hil	8,643.00	10.743853
10	UT GS3	0.00	0.000000
11	UT GS3-KC	0.00	0.000000
12	UT PB1-Hil	1,515.00	1.883251
13	UT PB2-Hil	251.00	0.312011
14	UT NM Res	0.00	0.000000
15	UT NM Comm	0.00	0.000000
16	UT Irrig	0.00	0.000000
17	UT Irrig Pump	0.00	0.000000
18	UT Extra LP	0.00	0.000000
19	UT Lights	0.00	0.000000
20	UT Lights-KC	0.00	0.000000
21	AZ Res	0.00	0.000000
22	AZ Rec-CC	30,110.00	37.428834
23	AZ GS1	0.00	0.000000
24	AZ GS1-CC	6,560.00	8.154538
25	AZ GS2	0.00	0.000000
26	AZ GS2-CC	3,671.00	4.563310
27	AZ Pub Bldg	0.00	0.000000
28	AZ PB1-CC	2,183.00	2.713622

Supporting Schedule:
 I-2.0

GARKANE ENERGY COOPERATIVE, INC.
 EXISTING RATES - TOTAL SYSTEM
 ADJUSTED TEST YEAR ENDING 12/31/2013
 Derivation of Factor 5: PurPwr Direct-LP15

Class	Class Name	Percent
1	UT Res	0.000000
2	UT Res-KC	0.000000
3	UT Res-Hil	0.000000
4	UT GS1	0.000000
5	UT GS1-KC	0.000000
6	UT GS1-Hil	0.000000
7	UT GS2	0.000000
8	UT GS2-KC	0.000000
9	UT GS2-Hil	0.000000
10	UT GS3	0.000000
11	UT GS3-KC	0.000000
12	UT PB1-Hil	0.000000
13	UT PB2-Hil	0.000000
14	UT NM Res	0.000000
15	UT NM Comm	0.000000
16	UT Irrig	0.000000
17	UT Irrig Pump	0.000000
18	UT Extra LP	100.000000
19	UT Lights	0.000000
20	UT Lights-KC	0.000000
21	AZ Res	0.000000
22	AZ Rec-CC	0.000000
23	AZ GS1	0.000000
24	AZ GS1-CC	0.000000
25	AZ GS2	0.000000
26	AZ GS2-CC	0.000000
27	AZ Pub Bldg	0.000000
28	AZ PB1-CC	0.000000

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Derivation of Factor 6: Pur Pwr Delivery

Class	Class Name	Amount	Percent
1	UT Res	168,363.00	31.651940
2	UT Res-KC	31,011.00	5.830012
3	UT Res-Hil	18,499.00	3.477779
4	UT GS1	57,142.00	10.742593
5	UT GS1-KC	24,609.00	4.626448
6	UT GS1-Hil	4,509.00	0.847684
7	UT GS2	58,361.00	10.971763
8	UT GS2-KC	14,934.00	2.807565
9	UT GS2-Hil	9,031.00	1.697812
10	UT GS3	4,264.00	0.801624
11	UT GS3-KC	283.00	0.053203
12	UT PB1-Hil	1,579.00	0.296849
13	UT PB2-Hil	263.00	0.049444
14	UT NM Res	379.00	0.071251
15	UT NM Comm	1,230.00	0.231238
16	UT Irrig	7,399.00	1.390999
17	UT Irrig Pump	1,346.00	0.253046
18	UT Extra LP	32,914.00	6.187773
19	UT Lights	165.00	0.031020
20	UT Lights-KC	34.00	0.006392
21	AZ Res	21,109.00	3.968454
22	AZ Rec-CC	31,396.00	5.902391
23	AZ GS1	6,673.00	1.254512
24	AZ GS1-CC	6,862.00	1.290044
25	AZ GS2	15,379.00	2.891224
26	AZ GS2-CC	3,843.00	0.722477
27	AZ Pub Bldg	1,288.00	0.242142
28	AZ PB1-CC	2,284.00	0.429388

Supporting Schedule:
I-1.0

CoOPTIONS:® Cost of Service
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GARKANE ENERGY COOPERATIVE, INC.

EXISTING RATES - TOTAL SYSTEM

ADJUSTED TEST YEAR ENDING 12/31/2013

Derivation of Factor 7: Transmission Plant

Class	Class Name	Amount	Percent
1	UT Res	168,363.00	31.651940
2	UT Res-KC	31,011.00	5.830012
3	UT Res-Hil	18,499.00	3.477779
4	UT GS1	57,142.00	10.742593
5	UT GS1-KC	24,609.00	4.626448
6	UT GS1-Hil	4,509.00	0.847684
7	UT GS2	58,361.00	10.971763
8	UT GS2-KC	14,934.00	2.807565
9	UT GS2-Hil	9,031.00	1.697812
10	UT GS3	4,264.00	0.801624
11	UT GS3-KC	283.00	0.053203
12	UT PB1-Hil	1,579.00	0.296849
13	UT PB2-Hil	263.00	0.049444
14	UT NM Res	379.00	0.071251
15	UT NM Comm	1,230.00	0.231238
16	UT Irrig	7,399.00	1.390999
17	UT Irrig Pump	1,346.00	0.253046
18	UT Extra LP	32,914.00	6.187773
19	UT Lights	165.00	0.031020
20	UT Lights-KC	34.00	0.006392
21	AZ Res	21,109.00	3.968454
22	AZ Rec-CC	31,396.00	5.902391
23	AZ GS1	6,673.00	1.254512
24	AZ GS1-CC	6,862.00	1.290044
25	AZ GS2	15,379.00	2.891224
26	AZ GS2-CC	3,843.00	0.722477
27	AZ Pub Bldg	1,288.00	0.242142
28	AZ PB1-CC	2,284.00	0.429388

Supporting Schedule:
I-1.0

GARKANE ENERGY COOPERATIVE, INC.
 EXISTING RATES - TOTAL SYSTEM
 ADJUSTED TEST YEAR ENDING 12/31/2013
 Derivation of Factor 8: Direct - Transmissio

Class	Class Name	Percent
1	UT Res	0.000000
2	UT Res-KC	0.000000
3	UT Res-Hil	0.000000
4	UT GS1	0.000000
5	UT GS1-KC	0.000000
6	UT GS1-Hil	0.000000
7	UT GS2	0.000000
8	UT GS2-KC	0.000000
9	UT GS2-Hil	0.000000
10	UT GS3	0.000000
11	UT GS3-KC	0.000000
12	UT PB1-Hil	0.000000
13	UT PB2-Hil	0.000000
14	UT NM Res	0.000000
15	UT NM Comm	0.000000
16	UT Irrig	0.000000
17	UT Irrig Pump	0.000000
18	UT Extra LP	100.000000
19	UT Lights	0.000000
20	UT Lights-KC	0.000000
21	AZ Res	0.000000
22	AZ Rec-CC	0.000000
23	AZ GS1	0.000000
24	AZ GS1-CC	0.000000
25	AZ GS2	0.000000
26	AZ GS2-CC	0.000000
27	AZ Pub Bldg	0.000000
28	AZ PB1-CC	0.000000

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Derivation of Factor 9: Distrib Substations

Class	Class Name	Amount	Percent
1	UT Res	168,363.00	31.651940
2	UT Res-KC	31,011.00	5.830012
3	UT Res-Hil	18,499.00	3.477779
4	UT GS1	57,142.00	10.742593
5	UT GS1-KC	24,609.00	4.626448
6	UT GS1-Hil	4,509.00	0.847684
7	UT GS2	58,361.00	10.971763
8	UT GS2-KC	14,934.00	2.807565
9	UT GS2-Hil	9,031.00	1.697812
10	UT GS3	4,264.00	0.801624
11	UT GS3-KC	283.00	0.053203
12	UT PB1-Hil	1,579.00	0.296849
13	UT PB2-Hil	263.00	0.049444
14	UT NM Res	379.00	0.071251
15	UT NM Comm	1,230.00	0.231238
16	UT Irrig	7,399.00	1.390999
17	UT Irrig Pump	1,346.00	0.253046
18	UT Extra LP	32,914.00	6.187773
19	UT Lights	165.00	0.031020
20	UT Lights-KC	34.00	0.006392
21	AZ Res	21,109.00	3.968454
22	AZ Rec-CC	31,396.00	5.902391
23	AZ GS1	6,673.00	1.254512
24	AZ GS1-CC	6,862.00	1.290044
25	AZ GS2	15,379.00	2.891224
26	AZ GS2-CC	3,843.00	0.722477
27	AZ Pub Bldg	1,288.00	0.242142
28	AZ PB1-CC	2,284.00	0.429388

Supporting Schedule:
I-1.0

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Derivation of Factor 10: Distrib Backbone

Class	Class Name	Amount	Percent
1	UT Res	168,363.00	33.739674
2	UT Res-KC	31,011.00	6.214555
3	UT Res-Hil	18,499.00	3.707170
4	UT GS1	57,142.00	11.451165
5	UT GS1-KC	24,609.00	4.931604
6	UT GS1-Hil	4,509.00	0.903596
7	UT GS2	58,361.00	11.695451
8	UT GS2-KC	14,934.00	2.992750
9	UT GS2-Hil	9,031.00	1.809798
10	UT GS3	4,264.00	0.854499
11	UT GS3-KC	283.00	0.056713
12	UT PB1-Hil	1,579.00	0.316429
13	UT PB2-Hil	263.00	0.052705
14	UT NM Res	379.00	0.075951
15	UT NM Comm	1,230.00	0.246490
16	UT Irrig	7,399.00	1.482748
17	UT Irrig Pump	1,346.00	0.269736
18	UT Extra LP	0.00	0.000000
19	UT Lights	165.00	0.033066
20	UT Lights-KC	34.00	0.006814
21	AZ Res	21,109.00	4.230210
22	AZ Rec-CC	31,396.00	6.291708
23	AZ GS1	6,673.00	1.337258
24	AZ GS1-CC	6,862.00	1.375134
25	AZ GS2	15,379.00	3.081927
26	AZ GS2-CC	3,843.00	0.770131
27	AZ Pub Bldg	1,288.00	0.258113
28	AZ PB1-CC	2,284.00	0.457710

Supporting Schedule:
I-1.0

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Derivation of Factor 11: OH Line 1-Phase

Class	Class Name	Amount	Percent
1	UT Res	7,938.00	69.704953
2	UT Res-KC	1,217.00	10.686688
3	UT Res-Hil	268.00	2.353354
4	UT GS1	447.00	3.925184
5	UT GS1-KC	118.00	1.036178
6	UT GS1-Hil	5.00	0.043906
7	UT GS2	14.00	0.122936
8	UT GS2-KC	0.00	0.000000
9	UT GS2-Hil	2.00	0.017562
10	UT GS3	44.00	0.386372
11	UT GS3-KC	3.00	0.026344
12	UT PB1-Hil	3.00	0.026344
13	UT PB2-Hil	1.00	0.008781
14	UT NM Res	24.00	0.210748
15	UT NM Comm	7.00	0.061468
16	UT Irrig	39.00	0.342466
17	UT Irrig Pump	1.00	0.008781
18	UT Extra LP	0.00	0.000000
19	UT Lights	27.00	0.237092
20	UT Lights-KC	1.00	0.008781
21	AZ Res	552.00	4.847208
22	AZ Rec-CC	580.00	5.093080
23	AZ GS1	51.00	0.447840
24	AZ GS1-CC	22.00	0.193186
25	AZ GS2	1.00	0.008781
26	AZ GS2-CC	3.00	0.026344
27	AZ Pub Bldg	3.00	0.026344
28	AZ PB1-CC	6.00	0.052687

Supporting Schedule:
I-3.0

GARKANE ENERGY COOPERATIVE, INC.
 EXISTING RATES - TOTAL SYSTEM
 ADJUSTED TEST YEAR ENDING 12/31/2013
 Derivation of Factor 12: OH Line 3PH Ext

Class	Class Name	Amount	Percent
1	UT Res	0.00	0.000000
2	UT Res-KC	0.00	0.000000
3	UT Res-Hil	0.00	0.000000
4	UT GS1	670.00	46.016484
5	UT GS1-KC	228.00	15.659341
6	UT GS1-Hil	42.00	2.884615
7	UT GS2	122.00	8.379121
8	UT GS2-KC	17.00	1.167582
9	UT GS2-Hil	18.00	1.236264
10	UT GS3	44.00	3.021978
11	UT GS3-KC	2.00	0.137363
12	UT PB1-Hil	9.00	0.618132
13	UT PB2-Hil	2.00	0.137363
14	UT NM Res	0.00	0.000000
15	UT NM Comm	7.00	0.480769
16	UT Irrig	78.00	5.357143
17	UT Irrig Pump	6.00	0.412088
18	UT Extra LP	0.00	0.000000
19	UT Lights	0.00	0.000000
20	UT Lights-KC	0.00	0.000000
21	AZ Res	0.00	0.000000
22	AZ Rec-CC	0.00	0.000000
23	AZ GS1	76.00	5.219780
24	AZ GS1-CC	65.00	4.464286
25	AZ GS2	5.00	0.343407
26	AZ GS2-CC	16.00	1.098901
27	AZ Pub Bldg	6.00	0.412088
28	AZ PB1-CC	17.00	1.167582

Supporting Schedule:
I-3.0

GARKANE ENERGY COOPERATIVE, INC.

EXISTING RATES - TOTAL SYSTEM

ADJUSTED TEST YEAR ENDING 12/31/2013

Derivation of Factor 13: UG Line 1PH

Class	Class Name	Amount	Percent
1	UT Res	7,938.00	75.035448
2	UT Res-KC	1,217.00	11.503923
3	UT Res-Hil	268.00	2.533321
4	UT GS1	0.00	0.000000
5	UT GS1-KC	0.00	0.000000
6	UT GS1-Hil	0.00	0.000000
7	UT GS2	0.00	0.000000
8	UT GS2-KC	0.00	0.000000
9	UT GS2-Hil	0.00	0.000000
10	UT GS3	0.00	0.000000
11	UT GS3-KC	0.00	0.000000
12	UT PB1-Hil	0.00	0.000000
13	UT PB2-Hil	0.00	0.000000
14	UT NM Res	24.00	0.226865
15	UT NM Comm	0.00	0.000000
16	UT Irrig	0.00	0.000000
17	UT Irrig Pump	0.00	0.000000
18	UT Extra LP	0.00	0.000000
19	UT Lights	0.00	0.000000
20	UT Lights-KC	0.00	0.000000
21	AZ Res	552.00	5.217884
22	AZ Rec-CC	580.00	5.482560
23	AZ GS1	0.00	0.000000
24	AZ GS1-CC	0.00	0.000000
25	AZ GS2	0.00	0.000000
26	AZ GS2-CC	0.00	0.000000
27	AZ Pub Bldg	0.00	0.000000
28	AZ PB1-CC	0.00	0.000000

Supporting Schedule:
I-3.0

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Derivation of Factor 14: Transfrms-Min Cost

Class	Class Name	Amount	Percent
1	UT Res	3,775,538.88	61.852287
2	UT Res-KC	578,839.86	9.482771
3	UT Res-Hil	127,468.43	2.088235
4	UT GS1	531,277.01	8.703578
5	UT GS1-KC	164,567.45	2.696005
6	UT GS1-Hil	22,354.54	0.366220
7	UT GS2	64,685.47	1.059702
8	UT GS2-KC	8,085.68	0.132463
9	UT GS2-Hil	9,512.57	0.155838
10	UT GS3	41,855.31	0.685689
11	UT GS3-KC	2,378.14	0.038960
12	UT PB1-Hil	5,707.54	0.093503
13	UT PB2-Hil	1,426.89	0.023376
14	UT NM Res	11,415.08	0.187006
15	UT NM Comm	6,658.80	0.109087
16	UT Irrig	55,648.53	0.911655
17	UT Irrig Pump	3,329.40	0.054543
18	UT Extra LP	0.00	0.000000
19	UT Lights	8,873.36	0.145367
20	UT Lights-KC	328.64	0.005384
21	AZ Res	262,546.92	4.301142
22	AZ Rec-CC	275,864.52	4.519316
23	AZ GS1	60,404.82	0.989574
24	AZ GS1-CC	41,379.68	0.677897
25	AZ GS2	2,853.77	0.046752
26	AZ GS2-CC	9,036.94	0.148047
27	AZ Pub Bldg	4,280.66	0.070127
28	AZ PB1-CC	10,939.46	0.179214

Supporting Schedule:
I-6.0

CoOPTIONS:® Cost of Service
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GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Derivation of Factor 15: Trfrms-RemainderCost

Class	Class Name	Amount	Percent
1	UT Res	1,887,769.44	39.619893
2	UT Res-KC	289,419.93	6.074252
3	UT Res-Hil	160,504.00	3.368606
4	UT GS1	511,076.52	10.726308
5	UT GS1-KC	228,833.76	4.802689
6	UT GS1-Hil	46,140.37	0.968379
7	UT GS2	429,717.21	9.018765
8	UT GS2-KC	97,383.50	2.043853
9	UT GS2-Hil	62,448.25	1.310644
10	UT GS3	35,091.41	0.736487
11	UT GS3-KC	3,027.48	0.063540
12	UT PB1-Hil	16,198.01	0.339959
13	UT PB2-Hil	1,773.81	0.037228
14	UT NM Res	5,707.55	0.119788
15	UT NM Comm	11,976.37	0.251356
16	UT Irrig	158,371.40	3.323848
17	UT Irrig Pump	13,826.22	0.290180
18	UT Extra LP	0.00	0.000000
19	UT Lights	0.00	0.000000
20	UT Lights-KC	0.00	0.000000
21	AZ Res	131,273.46	2.755125
22	AZ Rec-CC	347,359.87	7.290276
23	AZ GS1	50,840.73	1.067029
24	AZ GS1-CC	79,393.28	1.666280
25	AZ GS2	72,905.40	1.530115
26	AZ GS2-CC	37,791.76	0.793161
27	AZ Pub Bldg	14,942.58	0.313610
28	AZ PB1-CC	15,875.27	0.333185

Supporting Schedule:
I-6.0

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
 Derivation of Factor 16: 369 Services

Class	Class Name	Amount	Weight	Product	Percent
1	UT Res	7,938.00	1.000000	7,938.00	55.964467
2	UT Res-KC	1,217.00	1.000000	1,217.00	8.580090
3	UT Res-Hil	268.00	1.000000	268.00	1.889453
4	UT GS1	1,117.00	1.500000	1,675.50	11.812606
5	UT GS1-KC	346.00	1.500000	519.00	3.659052
6	UT GS1-Hil	47.00	1.500000	70.50	0.497039
7	UT GS2	136.00	2.500000	340.00	2.397067
8	UT GS2-KC	17.00	2.500000	42.50	0.299633
9	UT GS2-Hil	20.00	2.500000	50.00	0.352510
10	UT GS3	88.00	1.500000	132.00	0.930626
11	UT GS3-KC	5.00	1.500000	7.50	0.052876
12	UT PB1-Hil	12.00	1.500000	18.00	0.126904
13	UT PB2-Hil	3.00	1.500000	4.50	0.031726
14	UT NM Res	24.00	1.000000	24.00	0.169205
15	UT NM Comm	14.00	1.500000	21.00	0.148054
16	UT Irrig	117.00	1.500000	175.50	1.237310
17	UT Irrig Pump	7.00	1.500000	10.50	0.074027
18	UT Extra LP	1.00	0.000000	0.00	0.000000
19	UT Lights	27.00	1.000000	27.00	0.190355
20	UT Lights-KC	1.00	1.000000	1.00	0.007050
21	AZ Res	552.00	1.000000	552.00	3.891709
22	AZ Rec-CC	580.00	1.000000	580.00	4.089115
23	AZ GS1	127.00	1.500000	190.50	1.343063
24	AZ GS1-CC	87.00	1.500000	130.50	0.920051
25	AZ GS2	6.00	2.500000	15.00	0.105753
26	AZ GS2-CC	19.00	2.500000	47.50	0.334884
27	AZ Pub Bldg	9.00	2.500000	22.50	0.158629
28	AZ PB1-CC	23.00	1.500000	34.50	0.243232

Supporting Schedule:
E-7.1

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
 Derivation of Factor 17: 370 Meters

Class	Class Name	Amount	Weight	Product	Percent
1	UT Res	7,938.00	85.880000	681,715.44	52.200741
2	UT Res-KC	1,217.00	85.880000	104,515.96	8.003061
3	UT Res-Hil	268.00	85.880000	23,015.84	1.762383
4	UT GS1	1,117.00	173.790000	194,123.43	14.864541
5	UT GS1-KC	346.00	173.790000	60,131.34	4.604415
6	UT GS1-Hil	47.00	173.790000	8,168.13	0.625455
7	UT GS2	136.00	173.790000	23,635.44	1.809828
8	UT GS2-KC	17.00	173.790000	2,954.43	0.226228
9	UT GS2-Hil	20.00	173.790000	3,475.80	0.266151
10	UT GS3	88.00	173.790000	15,293.52	1.171065
11	UT GS3-KC	5.00	173.790000	868.95	0.066538
12	UT PB1-Hil	12.00	173.790000	2,085.48	0.159691
13	UT PB2-Hil	3.00	173.790000	521.37	0.039923
14	UT NM Res	24.00	171.760000	4,122.24	0.315651
15	UT NM Comm	14.00	400.000000	5,600.00	0.428807
16	UT Irrig	117.00	204.710000	23,951.07	1.833996
17	UT Irrig Pump	7.00	204.710000	1,432.97	0.109726
18	UT Extra LP	1.00	0.000000	0.00	0.000000
19	UT Lights	27.00	0.000000	0.00	0.000000
20	UT Lights-KC	1.00	0.000000	0.00	0.000000
21	AZ Res	552.00	85.880000	47,405.76	3.629983
22	AZ Rec-CC	580.00	85.880000	49,810.40	3.814113
23	AZ GS1	127.00	173.790000	22,071.33	1.690060
24	AZ GS1-CC	87.00	173.790000	15,119.73	1.157757
25	AZ GS2	6.00	173.790000	1,042.74	0.079845
26	AZ GS2-CC	19.00	173.790000	3,302.01	0.252844
27	AZ Pub Bldg	9.00	173.790000	1,564.11	0.119768
28	AZ PB1-CC	23.00	173.790000	3,997.17	0.306074

Supporting Schedule:
 E-7.1

GARKANE ENERGY COOPERATIVE, INC.
 EXISTING RATES - TOTAL SYSTEM
 ADJUSTED TEST YEAR ENDING 12/31/2013
 Derivation of Factor 18: Direct-Lighting

Class	Class Name	Amount	Percent
1	UT Res	0.00	0.000000
2	UT Res-KC	0.00	0.000000
3	UT Res-Hil	0.00	0.000000
4	UT GS1	0.00	0.000000
5	UT GS1-KC	0.00	0.000000
6	UT GS1-Hil	0.00	0.000000
7	UT GS2	0.00	0.000000
8	UT GS2-KC	0.00	0.000000
9	UT GS2-Hil	0.00	0.000000
10	UT GS3	0.00	0.000000
11	UT GS3-KC	0.00	0.000000
12	UT PB1-Hil	0.00	0.000000
13	UT PB2-Hil	0.00	0.000000
14	UT NM Res	0.00	0.000000
15	UT NM Comm	0.00	0.000000
16	UT Irrig	0.00	0.000000
17	UT Irrig Pump	0.00	0.000000
18	UT Extra LP	0.00	0.000000
19	UT Lights	165.00	76.388889
20	UT Lights-KC	34.00	15.740741
21	AZ Res	0.00	0.000000
22	AZ Rec-CC	0.00	0.000000
23	AZ GS1	0.00	0.000000
24	AZ GS1-CC	0.00	0.000000
25	AZ GS2	0.00	0.000000
26	AZ GS2-CC	0.00	0.000000
27	AZ Pub Bldg	0.00	0.000000
28	AZ PB1-CC	0.00	0.000000

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
 Derivation of Factor 19: Meter Reading

Class	Class Name	Amount	Weight	Product	Percent
1	UT Res	7,938.00	1.000000	7,938.00	63.261077
2	UT Res-KC	1,217.00	0.500000	608.50	4.849378
3	UT Res-Hil	268.00	0.500000	134.00	1.067899
4	UT GS1	1,117.00	1.500000	1,675.50	13.352726
5	UT GS1-KC	346.00	0.750000	259.50	2.068059
6	UT GS1-Hil	47.00	0.750000	35.25	0.280921
7	UT GS2	136.00	1.500000	204.00	1.625757
8	UT GS2-KC	17.00	0.750000	12.75	0.101610
9	UT GS2-Hil	20.00	0.750000	15.00	0.119541
10	UT GS3	88.00	1.500000	132.00	1.051960
11	UT GS3-KC	5.00	0.750000	3.75	0.029885
12	UT PB1-Hil	12.00	0.750000	9.00	0.071725
13	UT PB2-Hil	3.00	0.750000	2.25	0.017931
14	UT NM Res	24.00	3.000000	72.00	0.573797
15	UT NM Comm	14.00	4.000000	56.00	0.446286
16	UT Irrig	117.00	1.500000	175.50	1.398629
17	UT Irrig Pump	7.00	4.000000	28.00	0.223143
18	UT Extra LP	1.00	0.000000	0.00	0.000000
19	UT Lights	27.00	0.000000	0.00	0.000000
20	UT Lights-KC	1.00	0.000000	0.00	0.000000
21	AZ Res	552.00	1.000000	552.00	4.399107
22	AZ Rec-CC	580.00	0.500000	290.00	2.311125
23	AZ GS1	127.00	1.500000	190.50	1.518170
24	AZ GS1-CC	87.00	0.750000	65.25	0.520003
25	AZ GS2	6.00	1.500000	9.00	0.071725
26	AZ GS2-CC	19.00	0.750000	14.25	0.113564
27	AZ Pub Bldg	9.00	1.500000	13.50	0.107587
28	AZ PB1-CC	23.00	0.750000	17.25	0.137472

Supporting Schedule:
E-7.1

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
 Derivation of Factor 20: Billing & Records

Class	Class Name	Amount	Weight	Product	Percent
1	UT Res	7,938.00	1.000000	7,938.00	58.526875
2	UT Res-KC	1,217.00	1.000000	1,217.00	8.972941
3	UT Res-Hil	268.00	1.500000	402.00	2.963946
4	UT GS1	1,117.00	1.000000	1,117.00	8.235641
5	UT GS1-KC	346.00	1.000000	346.00	2.551058
6	UT GS1-Hil	47.00	1.500000	70.50	0.519797
7	UT GS2	136.00	1.000000	136.00	1.002728
8	UT GS2-KC	17.00	1.000000	17.00	0.125341
9	UT GS2-Hil	20.00	1.500000	30.00	0.221190
10	UT GS3	88.00	1.000000	88.00	0.648824
11	UT GS3-KC	5.00	1.000000	5.00	0.036865
12	UT PB1-Hil	12.00	1.500000	18.00	0.132714
13	UT PB2-Hil	3.00	1.500000	4.50	0.033179
14	UT NM Res	24.00	5.000000	120.00	0.884760
15	UT NM Comm	14.00	5.000000	70.00	0.516110
16	UT Irrig	117.00	1.000000	117.00	0.862641
17	UT Irrig Pump	7.00	5.000000	35.00	0.258055
18	UT Extra LP	1.00	1.000000	1.00	0.007373
19	UT Lights	27.00	1.000000	27.00	0.199071
20	UT Lights-KC	1.00	1.000000	1.00	0.007373
21	AZ Res	552.00	1.000000	552.00	4.069896
22	AZ Rec-CC	580.00	1.500000	870.00	6.414510
23	AZ GS1	127.00	1.000000	127.00	0.936371
24	AZ GS1-CC	87.00	1.500000	130.50	0.962177
25	AZ GS2	6.00	1.000000	6.00	0.044238
26	AZ GS2-CC	19.00	1.500000	28.50	0.210131
27	AZ Pub Bldg	9.00	1.000000	9.00	0.066357
28	AZ PB1-CC	23.00	1.500000	34.50	0.254369

Supporting Schedule:
E-7.1

CoOPTIONS:® Cost of Service
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Supporting Schedule:

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Derivation of Factor 21: Customer Services

Class	Class Name	Amount	Weight	Product	Percent
1	UT Res	7,938.00	1.000000	7,938.00	61.798365
2	UT Res-KC	1,217.00	1.000000	1,217.00	9.474504
3	UT Res-Hil	268.00	1.000000	268.00	2.086415
4	UT GS1	1,117.00	1.000000	1,117.00	8.695991
5	UT GS1-KC	346.00	1.000000	346.00	2.693655
6	UT GS1-Hil	47.00	1.000000	47.00	0.365901
7	UT GS2	136.00	1.000000	136.00	1.058778
8	UT GS2-KC	17.00	1.000000	17.00	0.132347
9	UT GS2-Hil	20.00	1.000000	20.00	0.155703
10	UT GS3	88.00	1.000000	88.00	0.685091
11	UT GS3-KC	5.00	1.000000	5.00	0.038926
12	UT PB1-Hil	12.00	1.000000	12.00	0.093422
13	UT PB2-Hil	3.00	1.000000	3.00	0.023355
14	UT NM Res	24.00	1.000000	24.00	0.186843
15	UT NM Comm	14.00	1.000000	14.00	0.108992
16	UT Irrig	117.00	1.000000	117.00	0.910860
17	UT Irrig Pump	7.00	1.000000	7.00	0.054496
18	UT Extra LP	1.00	1.000000	1.00	0.007785
19	UT Lights	27.00	1.000000	27.00	0.210199
20	UT Lights-KC	1.00	1.000000	1.00	0.007785
21	AZ Res	552.00	1.000000	552.00	4.297392
22	AZ Rec-CC	580.00	1.000000	580.00	4.515376
23	AZ GS1	127.00	1.000000	127.00	0.988712
24	AZ GS1-CC	87.00	1.000000	87.00	0.677306
25	AZ GS2	6.00	1.000000	6.00	0.046711
26	AZ GS2-CC	19.00	1.000000	19.00	0.147917
27	AZ Pub Bldg	9.00	1.000000	9.00	0.070066
28	AZ PB1-CC	23.00	1.000000	23.00	0.179058

Supporting Schedule:
E-7.1

GARKANE ENERGY COOPERATIVE, INC.
 EXISTING RATES - TOTAL SYSTEM
 ADJUSTED TEST YEAR ENDING 12/31/2013
 Derivation of Factor 22: Other Revenue

Class	Class Name	Amount	Weight	Product	Percent
1	UT Res	7,938.00	1.000000	7,938.00	61.798365
2	UT Res-KC	1,217.00	1.000000	1,217.00	9.474504
3	UT Res-Hil	268.00	1.000000	268.00	2.086415
4	UT GS1	1,117.00	1.000000	1,117.00	8.695991
5	UT GS1-KC	346.00	1.000000	346.00	2.693655
6	UT GS1-Hil	47.00	1.000000	47.00	0.365901
7	UT GS2	136.00	1.000000	136.00	1.058778
8	UT GS2-KC	17.00	1.000000	17.00	0.132347
9	UT GS2-Hil	20.00	1.000000	20.00	0.155703
10	UT GS3	88.00	1.000000	88.00	0.685091
11	UT GS3-KC	5.00	1.000000	5.00	0.038926
12	UT PB1-Hil	12.00	1.000000	12.00	0.093422
13	UT PB2-Hil	3.00	1.000000	3.00	0.023355
14	UT NM Res	24.00	1.000000	24.00	0.186843
15	UT NM Comm	14.00	1.000000	14.00	0.108992
16	UT Irrig	117.00	1.000000	117.00	0.910860
17	UT Irrig Pump	7.00	1.000000	7.00	0.054496
18	UT Extra LP	1.00	1.000000	1.00	0.007785
19	UT Lights	27.00	1.000000	27.00	0.210199
20	UT Lights-KC	1.00	1.000000	1.00	0.007785
21	AZ Res	552.00	1.000000	552.00	4.297392
22	AZ Rec-CC	580.00	1.000000	580.00	4.515376
23	AZ GS1	127.00	1.000000	127.00	0.988712
24	AZ GS1-CC	87.00	1.000000	87.00	0.677306
25	AZ GS2	6.00	1.000000	6.00	0.046711
26	AZ GS2-CC	19.00	1.000000	19.00	0.147917
27	AZ Pub Bldg	9.00	1.000000	9.00	0.070066
28	AZ PB1-CC	23.00	1.000000	23.00	0.179058

Supporting Schedule:
 E-7.1

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Derivation of Factor 23: Rate Base Deducts

Class	Class Name	Amount	Weight	Product	Percent
1	UT Res	7,938.00	1.000000	7,938.00	61.798365
2	UT Res-KC	1,217.00	1.000000	1,217.00	9.474504
3	UT Res-Hil	268.00	1.000000	268.00	2.086415
4	UT GS1	1,117.00	1.000000	1,117.00	8.695991
5	UT GS1-KC	346.00	1.000000	346.00	2.693655
6	UT GS1-Hil	47.00	1.000000	47.00	0.365901
7	UT GS2	136.00	1.000000	136.00	1.058778
8	UT GS2-KC	17.00	1.000000	17.00	0.132347
9	UT GS2-Hil	20.00	1.000000	20.00	0.155703
10	UT GS3	88.00	1.000000	88.00	0.685091
11	UT GS3-KC	5.00	1.000000	5.00	0.038926
12	UT PB1-Hil	12.00	1.000000	12.00	0.093422
13	UT PB2-Hil	3.00	1.000000	3.00	0.023355
14	UT NM Res	24.00	1.000000	24.00	0.186843
15	UT NM Comm	14.00	1.000000	14.00	0.108992
16	UT Irrig	117.00	1.000000	117.00	0.910860
17	UT Irrig Pump	7.00	1.000000	7.00	0.054496
18	UT Extra LP	1.00	1.000000	1.00	0.007785
19	UT Lights	27.00	1.000000	27.00	0.210199
20	UT Lights-KC	1.00	1.000000	1.00	0.007785
21	AZ Res	552.00	1.000000	552.00	4.297392
22	AZ Rec-CC	580.00	1.000000	580.00	4.515376
23	AZ GS1	127.00	1.000000	127.00	0.988712
24	AZ GS1-CC	87.00	1.000000	87.00	0.677306
25	AZ GS2	6.00	1.000000	6.00	0.046711
26	AZ GS2-CC	19.00	1.000000	19.00	0.147917
27	AZ Pub Bldg	9.00	1.000000	9.00	0.070066
28	AZ PB1-CC	23.00	1.000000	23.00	0.179058

Supporting Schedule:
E-7.1

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Derivation of Factor 24: Base Revenue

Class	Class Name	Amount	Percent
1	UT Res	7,045,398.00	31.610518
2	UT Res-KC	1,218,793.00	5.468347
3	UT Res-Hil	938,187.00	4.209354
4	UT GS1	2,116,188.00	9.494680
5	UT GS1-KC	891,996.00	4.002110
6	UT GS1-Hil	175,393.00	0.786934
7	UT GS2	2,306,492.00	10.348515
8	UT GS2-KC	605,325.00	2.715906
9	UT GS2-Hil	435,569.00	1.954263
10	UT GS3	244,133.00	1.095349
11	UT GS3-KC	15,287.00	0.068588
12	UT PB1-Hil	63,100.00	0.283110
13	UT PB2-Hil	10,723.00	0.048111
14	UT NM Res	16,425.00	0.073694
15	UT NM Comm	46,157.00	0.207092
16	UT Irrig	367,619.00	1.649393
17	UT Irrig Pump	35,004.00	0.157052
18	UT Extra LP	1,507,826.00	6.765148
19	UT Lights	106,452.00	0.477617
20	UT Lights-KC	14,650.00	0.065730
21	AZ Res	749,683.00	3.363595
22	AZ Rec-CC	1,609,189.00	7.219932
23	AZ GS1	255,041.00	1.144290
24	AZ GS1-CC	277,979.00	1.247206
25	AZ GS2	624,619.00	2.802472
26	AZ GS2-CC	181,983.00	0.816501
27	AZ Pub Bldg	47,665.00	0.213858
28	AZ PB1-CC	101,371.00	0.454820

Supporting Schedule:
E-7.6, E-7.6.1

GARKANE ENERGY COOPERATIVE, INC.

EXISTING RATES - TOTAL SYSTEM

ADJUSTED TEST YEAR ENDING 12/31/2013

Derivation of Factor 25: PCA Revenue

Class	Class Name	Amount	Percent
1	UT Res	0.00	0.000000
2	UT Res-KC	0.00	0.000000
3	UT Res-Hil	31,855.00	9.482066
4	UT GS1	0.00	0.000000
5	UT GS1-KC	0.00	0.000000
6	UT GS1-Hil	7,302.00	2.173538
7	UT GS2	0.00	0.000000
8	UT GS2-KC	0.00	0.000000
9	UT GS2-Hil	17,514.00	5.213276
10	UT GS3	0.00	0.000000
11	UT GS3-KC	0.00	0.000000
12	UT PB1-Hil	3,831.00	1.140348
13	UT PB2-Hil	503.00	0.149725
14	UT NM Res	0.00	0.000000
15	UT NM Comm	0.00	0.000000
16	UT Irrig	0.00	0.000000
17	UT Irrig Pump	0.00	0.000000
18	UT Extra LP	0.00	0.000000
19	UT Lights	0.00	0.000000
20	UT Lights-KC	0.00	0.000000
21	AZ Res	84,291.00	25.090341
22	AZ Rec-CC	51,634.00	15.369549
23	AZ GS1	25,511.00	7.593690
24	AZ GS1-CC	12,522.00	3.727340
25	AZ GS2	68,608.00	20.422087
26	AZ GS2-CC	6,057.00	1.802947
27	AZ Pub Bldg	4,588.00	1.365679
28	AZ PB1-CC	5,418.00	1.612740

Supporting Schedule:
E-7.6, E-7.6.1

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Allocation Factors

Page 1

A.F.	Account	Total Percent	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
1	Energy	100.000000	50.072516	17.561082	21.340941	0.717678	1.882625	8.118355	0.306803
2	Pur Pwr Capacity	100.000000	51.028685	19.931932	20.168323	0.851244	1.815281	6.176042	0.028493
3	Pur Pwr-Direct-Kanab	100.000000	43.894428	34.620086	21.084879	0.400607	0.000000	0.000000	0.000000
4	PurPwr Dir - TwinCit	100.000000	59.498297	18.117744	22.383959	0.000000	0.000000	0.000000	0.000000
5	PurPwr Direct-LP15	100.000000	0.000000	0.000000	0.000000	0.000000	0.000000	100.000000	0.000000
6	Pur Pwr Delivery	100.000000	50.901827	19.960896	20.207738	0.854828	1.846330	6.187773	0.040608
7	Transmission Plant	100.000000	50.901827	19.960896	20.207738	0.854828	1.846330	6.187773	0.040608
8	Direct - Transmissio	100.000000	0.000000	0.000000	0.000000	0.000000	0.000000	100.000000	0.000000
9	Distrib Substations	100.000000	50.901827	19.960896	20.207738	0.854828	1.846330	6.187773	0.040608
10	Distrib Backbone	100.000000	54.259267	21.277500	21.540623	0.911211	1.846330	6.187773	0.040608
11	OH Line 1-Phase	100.000000	92.896031	5.813137	0.184405	0.412715	1.968113	0.000000	0.043286
12	OH Line 3PH Ext	100.000000	0.000000	76.923077	13.530220	3.159341	0.403934	0.000000	0.289779
13	UG Line 1PH	100.000000	100.000000	0.000000	0.000000	0.000000	6.387363	0.000000	0.000000
14	Transfrms-Min Cost	100.000000	82.430757	13.885208	1.698639	0.724649	0.000000	0.000000	0.000000
15	Trfrms-RemainderCost	100.000000	59.227940	20.468795	15.629923	0.800027	1.083077	0.000000	0.177670
16	369 Services	100.000000	74.584038	18.908629	3.821207	0.983503	3.873315	0.000000	0.000000
17	370 Meters	100.000000	69.725933	23.956567	2.901047	1.237603	1.469966	0.000000	0.232657
18	Direct-Lighting	100.000000	0.000000	0.000000	0.000000	0.000000	2.178850	0.000000	0.000000
19	Meter Reading	100.000000	76.482384	18.502949	0.000000	0.000000	0.000000	0.000000	100.000000
20	Billing & Records	100.000000	81.832928	14.174593	2.151737	1.081846	1.801084	0.000000	0.000000
21	Customer Services	100.000000	82.358895	13.873102	1.824818	0.685689	1.231291	0.007373	0.243309
22	Other Revenue	100.000000	82.358895	13.873102	1.697158	0.724017	1.082133	0.007785	0.256909
23	Rate Base Deducts	100.000000	82.358895	13.873102	1.697158	0.724017	1.082133	0.007785	0.256909
24	Base Revenue	100.000000	51.945440	17.834100	19.717980	1.163937	1.978043	0.007785	0.256909
25	PCA Revenue	100.000000	49.941956	17.613335	31.039738	0.000000	1.250186	6.765148	0.595352
								0.000000	0.154785
101	PRODUCTION PLANT	100.000000	50.072516	17.561082	21.340941	0.717678	1.882625	8.118355	0.306803
102	TRANSMISSION PLANT	100.000000	50.449482	19.783503	20.028151	0.847231	1.829922	7.021484	0.040247
103	Acct 364/5 OH Line	100.000000	55.091624	25.831488	15.606638	1.123461	2.254566	0.000000	0.092223
104	Acct 367 UG Line	100.000000	91.284482	4.054252	4.104387	0.173624	0.375008	0.000000	0.008248
105	Acct 368 Transformer	100.000000	71.529394	16.940508	8.428353	0.766050	2.236376	0.000000	0.099318

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - TOTAL SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Allocation Factors

A.F.	Account	Total Percent	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
106	DISTRIBUTION PLANT	100.000000	60.936882	20.609084	13.453394	0.915376	1.968669	1.632332	0.484263
107	Trans & Distri Plant	100.000000	57.502560	20.154720	15.696770	0.882394	1.928075	3.472913	0.362569
108	OTHER PLANT	100.000000	65.956547	19.294631	9.411138	0.907608	1.761836	1.180000	1.488240
109	PLANT	100.000000	58.711390	20.031736	14.797991	0.886000	1.904304	3.145051	0.523528
110	Energy Sales Revenue	100.000000	51.915690	17.830822	19.886100	1.146654	1.967234	6.664691	0.588810
111	Other Revenue	100.000000	58.612769	18.828862	15.555168	0.838186	1.686504	4.383653	0.094858
112	REVENUES	100.000000	52.193521	17.872226	19.706429	1.133857	1.955588	6.570061	0.568318
113	GEN&TRANS O&M	100.000000	50.901827	19.960896	20.207738	0.854828	1.846330	6.187773	0.040608
114	DISTIB-OPERATIONS	100.000000	62.396637	21.838754	10.140893	1.023956	2.010464	1.030329	1.558967
115	DISTIB-MAINTENANCE	100.000000	62.141422	19.918259	12.182140	0.890127	1.802376	1.087992	1.977683
116	Subtotal Cust Record	100.000000	79.799063	15.813773	1.948624	0.835717	1.447076	0.004581	0.151166
117	CONSUMER ACCOUNTING	100.000000	79.799063	15.813773	1.948624	0.835717	1.447076	0.004581	0.151166
118	CUSTOMER SERVICE	100.000000	82.358895	13.873102	1.697158	0.724017	1.082133	0.007785	0.256909
119	SALES	100.000000	82.358895	13.873102	1.697158	0.724017	1.082133	0.007785	0.256909
120	ADMIN & GENERAL	100.000000	65.267803	19.297167	9.924054	0.912113	1.773729	1.405949	1.419185
121	Subtotal O&M	100.000000	64.921562	19.273176	10.283587	0.905196	1.766129	1.617020	1.233331
122	Remainder PP	100.000000	50.412754	18.352400	20.941373	0.761961	1.855294	7.464670	0.211549
123	Subtotal PURCHASED P	100.000000	50.992148	18.205897	20.957069	0.690515	1.682001	7.281784	0.190587
124	PURCHASED POWER	100.000000	50.992148	18.205897	20.957069	0.690515	1.682001	7.281784	0.190587
125	DEPRECIATION	100.000000	59.648588	20.028655	14.137043	0.891396	1.898338	2.786276	0.609704
126	TAXES	100.000000	58.155351	19.845641	15.214385	0.907911	1.909306	3.436520	0.530886
127	EXPENSES	100.000000	58.110818	18.944467	15.468752	0.812837	1.753256	4.223900	0.685970
128	PAYROLL-G&T O&M	100.000000	50.921606	19.956380	20.201593	0.854269	1.841489	6.185944	0.038719
129	PAYROLL-DIST OPER	100.000000	62.429783	21.957622	9.378554	1.037101	2.025675	0.726233	2.444032
130	PAYROLL-DIST MAINT	100.000000	63.714652	19.531483	11.250835	0.877999	1.775191	0.699599	2.150341
131	Subt Cons Acct Payrl	100.000000	79.784022	15.825896	1.949540	0.836826	1.448672	0.004560	0.150485
132	PAYROLL-CONS ACCTS	100.000000	79.784022	15.825896	1.949540	0.836826	1.448672	0.004560	0.150485
133	PAYROLL-CUST SERV	100.000000	82.358895	13.873102	1.697158	0.724017	1.082133	0.007785	0.256909
134	Subtotal Payroll	100.000000	65.956547	19.294631	9.411138	0.907608	1.761836	1.180000	1.488240
135	PAYROLL-ADMIN & GEN	100.000000	65.956547	19.294631	9.411138	0.907608	1.761836	1.180000	1.488240
136	PAYROLL	100.000000	65.956547	19.294631	9.411138	0.907608	1.761836	1.180000	1.488240

GARKANE ENERGY COOPERATIVE, INC.
 EXISTING RATES - TOTAL SYSTEM
 ADJUSTED TEST YEAR ENDING 12/31/2013
 Allocation Factors

A.F.	Account	Total Percent	RESIDENTIAL	GS1	GS2	GS3	IRRIG	UT Extra LP	LIGHTS
137	Net Plant	100.000000	59.591560	19.901748	14.110597	0.888069	1.878369	2.966325	0.663332
138	Working Capital	100.000000	43.219957	23.954119	23.514215	0.985167	2.432235	5.298162	0.596144
139	RATE BASE	100.000000	59.306531	19.972300	14.274314	0.889759	1.888011	3.006923	0.662162
140	INTEREST	100.000000	58.711390	20.031736	14.797991	0.886000	1.904304	3.145051	0.523528

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Allocation Factors

A.F.	Account	Total Percent	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
1	Energy	100.000000	9.729334	3.077911	4.988736	0.185529	0.023775	18.005286
2	Pur Pwr Capacity	100.000000	9.902889	3.217908	4.677325	0.199449	0.002162	17.999733
3	Pur Pwr-Direct-Kanab	100.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
4	PurPwr Dir - TwinCit	100.000000	37.428834	10.868160	11.328096	0.000000	0.000000	59.625090
5	PurPwr Direct-LP15	100.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
6	Pur Pwr Delivery	100.000000	9.870845	3.216085	4.681155	0.202286	0.003196	17.973567
7	Transmission Plant	100.000000	9.870845	3.216085	4.681155	0.202286	0.003196	17.973567
8	Direct - Transmissio	100.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
9	Distrib Substations	100.000000	9.870845	3.216085	4.681155	0.202286	0.003196	17.973567
10	Distrib Backbone	100.000000	10.521918	3.428215	4.989920	0.215629	0.003407	19.159088
11	OH Line 1-Phase	100.000000	9.940288	0.720056	0.035125	0.052687	0.043906	10.792062
12	OH Line 3PH Ext	100.000000	0.000000	11.263736	2.609890	0.618132	0.000000	14.491758
13	UG Line 1PH	100.000000	10.700444	0.000000	0.000000	0.000000	0.000000	10.700444
14	Transfms-Min Cost	100.000000	8.820457	1.916813	0.327261	0.116879	0.026920	11.208330
15	Tfrms-RemainderCost	100.000000	10.045401	3.380104	3.219432	0.259287	0.000000	16.904225
16	369 Services	100.000000	7.980823	2.664975	0.740271	0.158629	0.035251	11.579949
17	370 Meters	100.000000	7.444097	3.273659	0.558917	0.235128	0.000000	11.511801
18	Direct-Lighting	100.000000	0.000000	0.000000	0.000000	0.000000	7.870370	7.870370
19	Meter Reading	100.000000	6.710233	2.283232	0.286898	0.179311	0.000000	9.459675
20	Billing & Records	100.000000	10.484406	2.219273	0.442380	0.110595	0.036865	13.293519
21	Customer Services	100.000000	8.812768	1.915142	0.326975	0.116777	0.038926	11.210588
22	Other Revenue	100.000000	8.812768	1.915142	0.326975	0.116777	0.038926	11.210588
23	Rate Base Deducts	100.000000	8.812768	1.915142	0.326975	0.116777	0.038926	11.210588
24	Base Revenue	100.000000	10.583528	3.060174	4.651186	0.171598	0.052005	18.518490
25	PCA Revenue	100.000000	40.458890	14.299449	25.676738	1.250186	0.154785	81.841048
101	PRODUCTION PLANT	100.000000	9.729334	3.077911	4.988736	0.185529	0.023775	18.005286
102	TRANSMISSION PLANT	100.000000	9.783123	3.187504	4.639554	0.200488	0.003168	17.813836
103	Acct 364/5 OH Line	100.000000	8.876122	3.950703	3.538066	0.237135	0.011981	16.614008
104	Acct 367 UG Line	100.000000	10.666427	0.653218	0.950788	0.041086	0.000649	12.312169
105	Acct 368 Transformer	100.000000	9.409464	2.587604	1.758595	0.179116	0.014850	13.949628

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Allocation Factors

A.F.	Account	Total Percent	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
106	DISTRIBUTION PLANT	100.000000	9.210599	3.167760	3.036911	0.198855	0.042203	15.666327
107	Trans & Distri Plant	100.000000	9.391843	3.164969	3.586198	0.198129	0.031267	16.372407
108	OTHER PLANT	100.000000	8.896821	2.873116	2.115410	0.182225	0.121784	14.189355
109	PLANT	100.000000	9.321060	3.123237	3.375891	0.195855	0.044210	16.060254
110	Energy Sales Revenue	100.000000	11.027170	3.227069	4.963399	0.187614	0.053531	19.458783
111	Other Revenue	100.000000	9.565449	2.946141	3.583470	0.183819	0.012171	16.291049
112	REVENUES	100.000000	10.966529	3.215414	4.906152	0.187457	0.051816	19.327368
113	GEN&TRANS O&M	100.000000	9.870845	3.216085	4.681155	0.202286	0.003196	17.973567
114	DISTIB-OPERATIONS	100.000000	8.503426	3.222835	2.266432	0.210748	0.125068	14.328510
115	DISTIB-MAINTENANCE	100.000000	9.025773	3.030410	2.763310	0.189682	0.158215	15.167390
116	Subtotal Cust Record	100.000000	9.056098	2.243495	0.383498	0.136618	0.022904	11.841614
117	CONSUMER ACCOUNTING	100.000000	9.056098	2.243495	0.383498	0.136618	0.022904	11.841614
118	CUSTOMER SERVICE	100.000000	8.812768	1.915142	0.326975	0.116777	0.038926	11.210588
119	SALES	100.000000	8.812768	1.915142	0.326975	0.116777	0.038926	11.210588
120	ADMIN & GENERAL	100.000000	8.967697	2.893839	2.244696	0.183029	0.116326	14.405588
121	Subtotal O&M	100.000000	9.018770	2.896236	2.328116	0.182946	0.101607	14.527675
122	Remainder PP	100.000000	9.792464	3.125176	4.883634	0.189769	0.016363	18.007407
123	Subtotal PURCHASED P	100.000000	12.267503	3.817982	5.452060	0.172137	0.014742	21.724423
124	PURCHASED POWER	100.000000	12.267503	3.817982	5.452060	0.172137	0.014742	21.724423
125	DEPRECIATION	100.000000	9.268459	3.104845	3.218435	0.194918	0.051272	15.837928
126	TAXES	100.000000	9.463377	3.131461	3.506627	0.195137	0.045143	16.341745
127	EXPENSES	100.000000	10.437315	3.321013	3.804864	0.180410	0.056295	17.799897
128	PAYROLL-G&T O&M	100.000000	9.875841	3.216369	4.680558	0.201844	0.003035	17.977647
129	PAYROLL-DIST OPER	100.000000	8.312235	3.218796	2.083684	0.211664	0.194851	14.021229
130	PAYROLL-DIST MAINT	100.000000	8.975971	2.954980	2.542514	0.185649	0.171918	14.831032
131	Subt Cons Acct Payrl	100.000000	9.044528	2.243674	0.383062	0.136811	0.022801	11.830876
132	PAYROLL-CONS ACCTS	100.000000	9.044528	2.243674	0.383062	0.136811	0.022801	11.830876
133	PAYROLL-CUST SERV	100.000000	8.812768	1.915142	0.326975	0.116777	0.038926	11.210588
134	Subtotal Payroll	100.000000	8.896821	2.873116	2.115410	0.182225	0.121784	14.189355
135	PAYROLL-ADMIN & GEN	100.000000	8.896821	2.873116	2.115410	0.182225	0.121784	14.189355
136	PAYROLL	100.000000	8.896821	2.873116	2.115410	0.182225	0.121784	14.189355

GARKANE ENERGY COOPERATIVE, INC.
EXISTING RATES - ARIZONA SYSTEM
ADJUSTED TEST YEAR ENDING 12/31/2013
Allocation Factors

A.F.	Account	Total Percent	AZ-RESI	AZ-GS1	AZ-GS2	AZ Irrig	AZ Lights	AZ TOTAL
137	Net Plant	100.000000	9.268706	3.084750	3.216513	0.193796	0.055372	15.819138
138	Working Capital	100.000000	9.680226	3.902954	5.405055	0.246626	0.039949	19.274810
139	RATE BASE	100.000000	9.275870	3.098995	3.254616	0.194716	0.055104	15.879301
140	INTEREST	100.000000	9.321060	3.123237	3.375891	0.195855	0.044210	16.060254

GARKANE ENERGY COOPERATIVE, INC.

SUMMARY OF RATE CHANGE
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

Consumers	kWh	Adjusted Revenue	Proposed Revenue	Change	Percent Change
Utah					
Residential	7,938	7,045,398	7,679,866	634,468	9.01%
Residential - Kanab City	1,217	1,218,793	1,316,376	97,582	8.01%
Residential - Hildale	268	970,041	915,332	(54,709)	-5.64%
GS No. 1	1,117	2,116,188	2,253,444	137,256	6.48%
GS No. 1 - Kanab City	346	891,986	947,895	55,909	6.27%
GS No. 1 - Hildale	47	1,871,920	1,775,565	(96,355)	-5.12%
GS No. 2	136	27,965,962	2,306,492	2,421,449	8.68%
GS No. 2 - Kanab City	17	7,792,300	605,325	634,571	8.13%
GS No. 2 - Hildale	20	4,513,476	463,083	386,540	8.55%
GS No. 3	88	1,680,182	244,133	244,329	14.54%
GS No. 3 - Kanab City	5	107,534	15,355	196	0.18%
GS No. 1-Public Bldg&Auth-Hildale	12	789,021	66,931	69	0.00%
GS No. 2-Public Bldg&Auth-Hildale	3	114,993	11,197	(2,877)	-2.46%
Net Meter - Residential	24	172,421	16,425	18,981	10.96%
Net Meter - Commercial	14	476,473	46,157	2,555	0.54%
Irrigation	117	3,930,549	367,619	302	0.00%
Muni Culinary and Irrig, Pumping	7	248,526	35,004	7	0.00%
Extra Large Power Service	1	22,082,000	1,507,826	265	0.76%
Street & Security Lighting	27	578,640	106,452	3,192	0.21%
St. & Security Lights-Kanab City	1	118,480	14,950	4,205	3.45%
Other Revenue			819,673	506	0.00%
Total Utah	11,405	204,045,081	19,041,394	951,417	5.00%
Arizona					
Residential Service	552	833,973	837,311	3,338	0.40%
Residential Service - Colorado City	580	1,660,823	1,583,047	(77,776)	-4.68%
GS No. 1	127	280,552	284,334	3,782	1.35%
GS No. 1 - Colorado City	87	290,501	283,352	(7,150)	-2.46%
GS No. 2	6	7,774,755	693,228	654,384	-5.60%
GS No. 2 - Colorado City	19	1,881,017	188,040	(26,448)	-14.07%
GS No. 1 - Public Bldg. & Auth.	9	537,498	51,220	(1,033)	-1.96%
GS No. 1-Public Bldg&Auth - CC	23	1,217,143	106,788	(4,872)	-4.56%
GS No. 2-Public Bldg&Auth - CC	17	2,631,864	241,667	(10,203)	-4.22%
Irrigation	15	456,973	42,447	286	0.67%
Street and Security Lights	5	58,560	12,111	(447)	-3.69%
Other Revenue			159,521	7,240	4.54%
Total Arizona	1,439	44,348,385	4,409,766	(152,128)	-3.33%
Total System					
Residential	10,554	11,729,029	12,331,931	602,903	5.14%
General Service No. 1	1,724	3,761,932	3,946,590	184,658	4.91%
General Service No. 2	188	4,246,167	4,258,533	12,366	0.29%
General Service No. 3	93	259,420	259,684	265	0.10%
General Service No.1 Public Bldg	44	2,513,662	225,974	(8,761)	-3.89%
GS No. 2-Public Bldg&Auth-Hildale	20	2,746,857	252,883	(10,232)	-4.05%
Net Meter - Residential	24	172,421	18,981	2,555	15.56%
Net Meter - Commercial	14	476,473	46,157	302	0.65%
Irrigation	132	4,387,522	410,358	292	0.07%
Muni Culinary and Irrig, Pumping	7	249,526	35,004	265	0.76%
Extra Large Power Service	1	22,082,000	1,507,826	3,192	0.21%
Street & Security Lighting	34	755,680	137,477	4,264	3.20%
Other Revenue			966,434	7,240	0.74%
Total	12,844	248,393,466	24,402,577	799,289	3.39%

Supporting Schedules

E-7.1, E-7.2, E-7.6, E-7.6.1, H-2.1, H-2.2

Recap Schedules

A-1.0

Schedule H-1.0

GARKANE ENERGY COOPERATIVE, INC.
ANALYSIS OF REVENUE BY DETAILED CLASS

See Schedule H-1

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF PROPOSED REVENUE - UTAH

	Billing Units	Rate	Revenue
1. RESIDENTIAL			
<u>Residential - RES21</u>			
Consumers (12 month sum)	95,258	22.00	2,095,676
kWh			
First 1,000 kWh			
Excess	51,099,204	0.071800	3,668,923
kWh Included in Minimum	25,551,952	0.066800	1,706,870
Minimum Bills	(1,729,884)	0.071800	(124,206)
Billing Adjustments	19,168	13.00	249,184
Base Revenue			114,672
PCA	76,651,156		7,711,120
Subtotal Revenue			(31,254)
			7,679,866
<u>Residential - Kanab City - UT021</u>			
Consumers (12 month sum)	14,606	22.00	321,332
kWh			
First 1,000 kWh			
Excess	10,026,175	0.071800	719,879
kWh Included in Minimum	4,077,107	0.066800	272,351
Minimum Bills	(143,761)	0.071800	(10,322)
Base Revenue	1,416	13.00	18,408
PCA	14,103,282		1,321,648
Subtotal Revenue			(5,273)
			1,316,376
<u>Residential - Hildale - UTH01</u>			
Consumers (12 month sum)	3,210	22.00	70,620
kWh			
Adjustment Charge	8,441,459	0.099800	842,458
Base Revenue	8,441,459	0.000000	0
PCA	8,441,459		913,078
Subtotal Revenue			2,254
			915,332
Base Revenue			9,945,845
PCA	99,195,897		(34,272)
Total Revenue			9,911,573

Supporting Schedules:
E-7.1, E-7.2, H-2.1.3Recap Schedules:
H-1.0Schedule H-2.1
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GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF PROPOSED REVENUE - UTAH

2. GENERAL SERVICE NO. 1

General Service No. 1 - GS125

	Billing Units	Rate	Revenue
Consumers (12 month sum)	13,404	25.00	335,100
First 3 Billing kW	27,849	2.00	55,698
Excess Billing kW	75,641	7.50	567,308
kWh			
First 5,000 kWh	18,174,128	0.057200	1,039,560
Excess	4,490,707	0.052200	234,415
Additional Minimum Billing			15,106
Base Revenue			2,247,187
PCA	22,664,835		6,257
Subtotal Revenue			2,253,444

General Service No. 1 - Kanab City - UT025

	Billing Units	Rate	Revenue
Consumers (12 month sum)	4,154	25.00	103,850
First 3 Billing kW	9,664	2.00	19,328
Excess Billing kW	34,906	7.55	263,540
kWh			
First 5,000 kWh	6,865,571	0.057200	392,711
Excess	3,035,331	0.052200	158,444
Minimum Billing			7,476
Base Revenue			945,349
PCA	9,900,902		2,546
Subtotal Revenue			947,895

General Service No. 1 - Hildale - UTH05

	Billing Units	Rate	Revenue
Consumers (12 month sum)	569	25.00	14,225
Demand kW	7,426	7.50	55,695
kWh			
Adjustment Charge	1,871,920	0.057200	107,074
Base Revenue	1,871,920	0.000000	0
PCA			176,994
Subtotal Revenue			571
			177,565
Total Base Revenue	34,437,657		3,369,530
Total PCA Revenue			9,374
Total Revenue			3,378,904

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF PROPOSED REVENUE - UTAH

	Billing Units	Rate	Revenue
3. GENERAL SERVICE NO.2			
<u>General Service No. 2 - GS228</u>			
Consumers (12 month sum)	1,630	30.00	48,900
Demand kW	88,080	8.55	753,084
kWh			1,619,012
Base Revenue	27,865,952	0.058100	2,420,996
PCA			453
Subtotal Revenue			2,421,449
<u>General Service No. 2 - Kanab City - UT028</u>			
Consumers (12 month sum)	206	30.00	6,180
Demand kW	20,275	8.55	173,351
kWh	7,782,300	0.058100	452,152
Base Revenue			631,683
PCA			2,888
Subtotal Revenue			634,571
<u>General Service No. 2 - Hildale - UTH08</u>			
Consumers (12 month sum)	244	30.00	7,320
Demand kW	13,631	8.55	116,545
kWh	4,513,476	0.058100	262,233
Adjustment Charge	4,513,476	0.000000	0
Base Revenue			386,098
PCA			442
Subtotal Revenue			386,540
Total Base Revenue	40,161,728		3,438,777
Total PCA Revenue			3,783
Total Revenue			3,442,559

Supporting Schedules:
E-7.1, E-7.2, H-2.1.3

Recap Schedules:
H-1.0

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF PROPOSED REVENUE - UTAH

	Billing Units	Rate	Revenue
4. GENERAL SERVICE NO. 3			
General Service No. 3 - GS332			
Consumers (12 month sum)	1,050	30.00	31,500
Demand kW	7,021	9.95	69,859
kWh	1,660,162	0.086000	142,774
Base Revenue			244,133
PCA			196
Subtotal Revenue			244,329
General Service No. 3 - Kanab City - UT032			
Consumers (12 month sum)	60	30.00	1,800
Demand kW	426	9.95	4,239
kWh	107,534	0.086000	9,248
Base Revenue			15,287
PCA			69
Subtotal Revenue			15,355
Total Base Revenue			259,420
Total PCA Revenue			265
Total Revenue			259,684
5. PUBLIC BUILDINGS & AUTHORITIES - HILDALE			
General Service No. 1 - Public Bldg. & Auth. - Hildale - UTH06			
Consumers (12 month sum)	138	25.00	3,450
Demand kW	2,199	7.50	16,493
kWh	759,021	0.057200	43,416
Adjustment Charge	759,021	0.000000	0
Base Revenue			63,359
PCA			696
Subtotal Revenue			64,055
General Service No. 2 - Public Bldg. & Auth. - Hildale - UTH09			
Consumers (12 month sum)	36	30.00	1,080
Demand kW	395	8.55	3,377
kWh	114,993	0.058100	6,681
Adjustment Charge	114,993	0.000000	0
Base Revenue			11,138
PCA			59
Subtotal Revenue			11,197
Total Base Revenue			74,497
Total PCA			755
Total Revenue			75,252

Supporting Schedules:
E-7.1, E-7.2, H-2.1.3

Recap Schedules:
H-1.0

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF PROPOSED REVENUE - UTAH

	Billing Units	Rate	Revenue
6. NET METER			
Net Meter - Residential - COG33			
Consumers (12 month sum)	288	35.00	10,080
Additional Minimum Bill	0	0.00	0
kWh Sales Registered	172,421		
Net kWh Sold	168,627	0.071800	12,107
Excess kWh	114,860	(0.026000)	(2,986)
kWh Included in Minimum	0	0.000000	0
Base Revenue			19,201
PCA Revenue			(220)
Total Revenue			18,981
Net Meter - Commercial - COG34			
Consumers (12 month sum)	167	35.00	5,845
Additional Minimum Bill	12	0.00	0
First 3 kW	402	0.00	0
Excess kW	1,822	7.50	13,664
kWh Sales Registered	476,473		
Net kWh Sold	491,635	0.057200	28,122
Excess kWh	44,540	(0.026000)	(1,158)
kWh Included in Minimum	0	0.000000	0
Base Revenue			46,473
PCA Revenue			(14)
Total			46,459
Total Base Revenue	648,894		65,674
Total PCA Revenue			(234)
Total Revenue			65,439

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF PROPOSED REVENUE - UTAH

	Billing Units	Rate	Revenue
7. IRRIGATION			
Irrigation - IRR24			
Consumers (12 month sum)	1,404	30.00	42,120
Demand kW			
Peak Demand per kW	13,403	7.30	97,842
Off-Peak Demand per kW	0	0.00	0
kWh			
First 10,000 kWh	2,832,909	0.057000	161,476
Excess	1,097,640	0.052000	57,077
Base Revenue			358,515
PCA	3,930,549		9,110
Subtotal Revenue			367,625
Municipal Culinary and Irrigation Pumping - TOD29/TOD30			
Consumers (12 month sum)	84	30.00	2,520
Demand kW			
Peak Demand per kW	1,912	8.70	16,634
Off-Peak Demand per kW	0	0.00	0
kWh			
On-Peak	116,309	0.079000	9,188
Off-Peak	133,217	0.050000	6,661
Base Revenue			35,004
PCA	249,526		265
Subtotal Revenue			35,269
Base Revenue	4,180,075		393,519
PCA			9,376
Total Revenue			402,894

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF PROPOSED REVENUE - UTAH

	Billing Units	Rate	Revenue
8. EXTRA LARGE POWER SERVICE - LP015			
Consumers (12 month sum)	12	100.00	1,200
Demand kW	32,914	6.70	220,524
kWh			
Base Load Energy Rate	16,116,000	0.055000	886,380
Marginal Load Energy Rate	5,966,000	0.067000	399,722
Base Revenue			1,507,826
PCA	22,082,000		3,192
Subtotal Revenue			1,511,018
9. LIGHTING			
Street & Security Lighting - SL027			
100 Watt HPS or LED	12,905	8.15	105,176
40 kWh/Mo			
250 Watt HPS or LED	216	12.90	2,786
100 kWh/Mo			
400 Watt HPS or LED	144	17.50	2,520
160 kWh/Mo			
Base Revenue			110,482
PCA			175
Subtotal Revenue			110,657
kWh Sold			
Street & Security Lighting - Kanab City - UT027			
100 Watt or less	504	8.15	4,108
250 Watt	132	12.90	1,703
400 Watt	532	17.50	9,310
1,000 Watt	0		0
1,800 Watt	0		0
Base Revenue			15,120
PCA			36
Subtotal Revenue			15,156
kWh Sold	118,480		
Base Revenue	697,120		125,603
PCA			211
Total Revenue			125,813
10. TOTAL SYSTEM			
Base Revenue	204,045,081		19,180,689
PCA			(7,551)
Total Revenue			19,173,138

Supporting Schedules:
E-7.1, E-7.2, H-2.1.3Recap Schedules:
H-1.0Schedule H-2.1
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GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF PROPOSED REVENUE - ARIZONA

	Billing Units	Rate	Revenue
1. RESIDENTIAL			
Residential Service - RES01			
Consumers (12 month sum)	6,623	22.00	145,706
kWh	9,655,350	0.071800	693,254
Base Revenue	9,655,350		838,960
PCA			(1,649)
Subtotal Revenue			837,311
Residential Service - Colorado City - ACC01			
Consumers (12 month sum)	6,954	22.00	152,988
kWh	14,308,738	0.099800	1,428,012
Adjustment Charge	14,308,738	0.000000	0
Base Revenue	14,308,738		1,581,000
PCA			2,047
Subtotal Revenue			1,583,047
Total Base Revenue	23,964,088		2,419,960
Total PCA			398
Total Revenue			2,420,358
2. GENERAL SERVICE NO. 1			
General Service No. 1 - GS105			
Consumers (12 month sum)	1,523	25.00	38,075
Excess Billing kW	10,984	7.50	82,380
kWh	2,840,638	0.057200	162,484
Base Revenue			282,939
PCA			1,395
Subtotal Revenue			284,334
General Service No. 1 - Colorado City - ACC05			
Consumers (12 month sum)	1,043	25.00	26,075
Demand kW	11,299	7.50	84,743
kWh	2,985,849	0.057200	170,791
Adjustment Charge	2,985,849	0.000000	0
Base Revenue			281,608
PCA			1,743
Subtotal Revenue			283,352
Total Base Revenue	5,826,487		564,548
Total PCA Revenue			3,138
Total Revenue			567,686

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF PROPOSED REVENUE - ARIZONA

	Billing Units	Rate	Revenue
3. GENERAL SERVICE NO. 2			
<u>General Service No. 2 - GS208</u>			
Consumers (12 month sum)	66	30.00	1,980
Demand kW	23,214	8.55	198,480
kWh	7,774,755	0.058100	451,713
Base Revenue			652,173
PCA			2,211
Subtotal Revenue			654,384
<u>General Service No. 2 - Colorado City - ACC08</u>			
Consumers (12 month sum)	228	30.00	6,840
Demand kW	5,356	8.55	45,794
kWh	1,881,017	0.058100	109,287
Adjustment Charge	1,881,017	0.000000	0
Base Revenue			161,921
PCA			(330)
Subtotal Revenue			161,590
Total Base Revenue			814,094
Total PCA Revenue	9,655,772		1,880
Total Revenue			815,974
4. GENERAL SERVICE NO. 1 - PUBLIC BUILDINGS			
<u>General Service No. 1 - Public Bldg. & Auth. - GS206</u>			
Consumers (12 month sum)	113	25.00	2,825
Demand kW	2,329	7.50	17,468
kWh	537,498	0.058450	31,417
Base Revenue			51,709
PCA			(489)
Subtotal Revenue			51,220
<u>General Service No. 1 - Public Bldg. & Auth. - Colorado City - ACC06</u>			
Consumers (12 month sum)	277	12.50	3,463
Demand kW	3,446	6.37	21,951
kWh	1,217,143	0.058450	71,142
Adjustment Charge	1,217,143	0.003956	4,815
Base Revenue			101,371
PCA			547
Subtotal Revenue			101,917

GARKANE ENERGY COOPERATIVE, INC.

CALCULATION OF PROPOSED REVENUE - ARIZONA

	Billing Units	Rate	Revenue
4. GENERAL SERVICE NO. 1 - PUBLIC BUILDINGS (CONTINUED)			
<u>General Service No. 2 - Public Bldg. & Auth. - Colorado City - ACC09</u>			
Consumers (12 month sum)	206	20.00	4,120
Demand kW	8,570	6.37	54,591
kWh	2,631,864	0.061150	160,938
Adjustment Charge	2,631,864	0.003956	10,412
Base Revenue			230,061
PCA			1,392
Subtotal Revenue			231,453
Total Base Revenue	4,386,505		383,141
Total PCA			1,450
Total Revenue			384,591
5. IRRIGATION - IRR04			
Consumers - Single Phase	10	75.00	750
Consumers - Three Phase	8	125.00	1,000
Demand kW	1,948	7.30	14,220
kWh	456,973	0.057000	26,047
Base Revenue			42,018
PCA			715
Subtotal Revenue			42,733
6. LIGHTING			
100 Watt or less	40 kWh/Mo	8.15	11,182
250 Watt	100 kWh/Mo	12.90	464
400 Watt	160 kWh/Mo	17.50	0
Base Revenue			11,646
PCA			17
Total Revenue			11,664
Lighting	58,560		
7. TOTAL ARIZONA SYSTEM			
Total Base Revenue	44,348,385		4,235,406
Total PCA			7,599
Total Revenue			4,243,005

GARKANE ENERGY COOPERATIVE, INC.

PROPOSED PCA BASE COST

Power Generation Expense	\$533,417.98
Purchased Power	\$8,779,630.46
Total Power Cost	\$9,313,048.44
kWh Sold	248,393,466
Purchased Power/kWh Sold	0.037493
Base Power Cost - Utah	\$0.037493
WPCA Factor	\$0.000000
Base Power Cost - Arizona	\$0.037493
WPCA Factor	\$0.000000

GARKANE ENERGY COOPERATIVE, INC.

PROPOSED WHOLESALE POWER COST ADJUSTMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Utah													
Residential	10,480,310	9,858,492	7,332,262	5,845,658	5,171,590	4,371,782	5,107,225	4,740,516	4,457,661	4,616,820	6,121,634	8,547,206	76,651,156
Residential - Kanab City	1,906,875	1,668,987	1,246,935	989,584	896,394	854,687	1,105,011	1,037,687	956,086	772,220	1,097,192	1,571,625	14,103,282
Residential - Hildale	771,886	848,508	506,362	618,433	562,981	817,986	888,300	965,443	712,822	559,873	528,344	660,521	8,441,459
GS No. 1	1,947,126	2,020,232	1,587,556	1,673,337	1,895,365	1,849,672	2,290,678	2,030,026	1,904,584	1,806,755	1,816,409	1,843,095	22,664,835
GS No. 1 - Kanab City	905,113	831,829	702,611	705,337	794,059	857,016	942,560	990,396	900,151	690,272	763,823	817,735	9,900,902
GS No. 1 - Hildale	144,236	171,560	99,878	134,881	130,725	180,530	189,973	225,733	163,582	152,092	132,070	146,660	1,871,920
GS No. 2	2,386,358	2,654,185	2,261,970	2,184,514	2,476,236	2,175,682	2,215,484	2,186,779	2,222,033	2,253,691	2,263,439	2,605,581	27,865,952
GS No. 2 - Kanab City	654,460	614,260	548,920	597,420	687,320	657,600	707,380	763,680	754,720	559,700	652,600	584,040	7,782,300
GS No. 2 - Hildale	356,234	412,936	260,307	388,229	376,457	352,959	442,770	464,491	403,747	354,256	341,530	378,560	4,513,476
GS No. 3	157,243	162,292	129,821	119,785	137,574	141,145	141,565	161,032	141,012	115,868	109,326	143,499	1,660,162
GS No. 3 - Kanab City	10,002	9,209	8,485	8,461	9,873	10,050	10,969	11,044	10,006	5,503	7,705	6,227	107,534
GS No. 1-Public Bldg&Auth-Hildale	83,875	91,116	47,478	51,260	43,690	96,301	79,475	52,485	53,736	71,097	46,064	42,444	759,021
GS No. 2-Public Bldg&Auth-Hildale	9,223	11,229	7,284	8,724	7,723	11,625	11,939	12,782	9,825	8,982	7,723	7,834	114,993
Net Meter - Residential	35,735	35,753	22,484	8,103	7,006	3,113	4,696	5,458	6,320	5,734	12,556	25,463	172,421
Net Meter - Commercial	45,282	40,249	33,547	34,182	43,005	17,278	60,263	44,241	47,333	29,929	39,056	42,108	476,473
Irrigation	11,292	10,521	12,084	60,786	315,177	968,241	1,034,861	679,286	516,900	193,439	94,238	33,724	3,930,549
Muni Culinary and Irrig. Pumping	12,503	14,593	9,095	9,256	22,726	32,228	39,551	33,891	30,277	19,222	14,042	12,142	249,526
Extra Large Power Service	1,948,000	1,596,000	1,667,000	2,079,000	1,833,000	1,788,000	2,097,000	1,792,000	1,614,000	2,160,000	1,472,000	2,036,000	22,082,000
Street & Security Lighting	48,200	48,240	46,360	48,320	48,360	48,040	49,320	47,960	48,160	48,160	48,000	47,520	578,640
St. & Security Lights-Kanab City	9,980	9,980	9,980	9,980	9,980	9,980	9,980	9,980	9,660	9,660	9,660	9,660	118,480
Total Utah	21,923,933	21,110,171	16,542,419	15,535,250	15,469,241	15,243,915	17,429,000	16,255,110	14,962,714	14,433,273	15,577,411	19,562,644	204,045,081
Arizona													
Residential Service	1,117,427	1,113,145	903,839	674,679	647,962	615,758	849,457	751,934	751,304	559,281	697,799	972,765	9,655,350
Residential Service - Colorado City	1,377,165	1,472,992	870,849	1,073,208	934,120	1,328,283	1,388,944	1,585,524	1,182,412	932,081	961,776	1,201,584	14,308,738
GS No. 1	233,475	232,694	195,030	180,315	240,428	251,585	298,951	282,138	253,846	230,379	232,478	209,319	2,840,638
GS No. 1 - Colorado City	206,041	217,505	137,310	184,122	266,294	306,947	385,930	426,132	254,939	218,376	188,763	193,490	2,985,849
GS No. 2	433,630	623,140	465,145	592,460	695,410	649,455	721,020	713,230	753,340	812,395	679,110	636,420	7,774,755
GS No. 2 - Colorado City	126,145	158,494	89,813	152,697	168,115	177,251	169,825	201,369	170,416	143,841	136,921	186,130	1,881,017
GS No. 1 - Public Bldg. & Auth.	57,866	63,269	46,740	27,446	31,338	21,948	28,021	26,341	41,187	48,973	64,807	79,562	537,498
GS No. 1-Public Bldg&Auth - CC	91,841	107,574	64,728	114,606	95,770	129,241	113,204	130,224	93,831	96,788	95,228	84,108	1,217,143
GS No. 2-Public Bldg&Auth - CC	176,884	214,481	127,784	193,729	241,609	298,646	250,790	323,846	228,515	234,608	164,263	176,709	2,631,864
Irrigation	6,393	6,180	5,574	4,307	87,622	69,834	86,282	37,307	43,090	40,281	26,991	7,112	456,973
Street and Security Lights	4,860	4,820	4,860	4,940	4,900	4,900	4,900	4,900	4,900	4,900	4,860	4,820	58,560
Total Arizona	3,831,727	4,214,294	2,911,472	3,238,509	3,413,568	3,853,848	4,297,324	4,482,945	3,777,780	3,321,903	3,252,996	3,752,019	44,348,385
Total System	25,755,660	25,324,465	19,453,891	18,773,759	18,882,809	19,097,763	21,726,324	20,738,055	18,740,494	17,755,176	18,830,407	23,314,663	248,393,466

GARKANE ENERGY COOPERATIVE, INC.

PROPOSED WHOLESALE POWER COST ADJUSTMENT
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

	January	February	March	April	May	June	July	August	September	October	November	December	Total
System Power Cost - Hydro Generation	30,810	32,024	78,297	43,688	34,254	32,300	55,917	48,961	52,021	35,843	38,213	53,092	533,418
Purchased Power Cost	1,009,673	853,636	743,399	630,713	657,509	762,258	820,528	744,443	662,870	715,175	731,196	428,231	8,779,630
Total Purchased Power Cost	1,040,483	885,660	821,696	674,401	691,763	814,558	876,445	791,404	714,890	751,018	769,409	481,323	9,313,048
System Power Cost per kWh Sold	0.040398	0.034972	0.042238	0.035923	0.036635	0.042652	0.040340	0.038162	0.038147	0.042298	0.040860	0.020645	0.037493
Base Cost of Power	0.037493	0.037493	0.037493	0.037493	0.037493	0.037493	0.037493	0.037493	0.037493	0.037493	0.037493	0.037493	0.037493
Power Cost Recovered in Base Rates	965,657	949,490	728,385	703,885	707,973	716,032	814,585	777,532	702,637	685,695	706,008	874,137	9,313,016
Amount to Recover through WPCA	74,826	(63,831)	92,311	(29,484)	(16,210)	98,525	61,860	13,872	12,253	85,323	63,401	(392,814)	32
Wholesale Power Cost Through Factor	0.002905	(0.002521)	0.004745	(0.001570)	(0.000858)	0.005159	0.002847	0.000669	0.000654	0.004806	0.003367	(0.016848)	0.000000
Adjusted Wholesale Power Cost Revenue - Arizona													
Utah													
Residential	30,445	(24,853)	34,792	(9,178)	(4,437)	22,554	14,540	3,171	2,915	22,188	20,612	(144,003)	(31,254)
Residential - Kanab City	5,539	(4,208)	5,917	(1,554)	(769)	4,409	3,146	694	625	3,711	3,694	(26,479)	(5,273)
Residential - Hildale	2,242	(2,139)	2,403	(971)	(483)	4,220	2,529	646	466	2,691	1,779	(11,128)	2,254
GS No. 1	5,656	(5,093)	7,533	(2,627)	(1,626)	9,542	6,522	1,358	1,246	8,683	6,116	(31,052)	6,257
GS No. 1 - Kanab City	2,629	(2,097)	3,334	(1,107)	(681)	4,421	2,683	663	589	3,317	2,572	(13,777)	2,546
GS No. 1 - Hildale	419	(433)	474	(212)	(946)	931	541	151	107	731	445	(2,471)	571
GS No. 2	6,932	(6,591)	10,733	(3,398)	(2,125)	11,224	6,307	1,463	1,453	10,831	7,621	(43,899)	453
GS No. 2 - Kanab City	1,901	(1,549)	2,605	(938)	(590)	3,393	2,014	511	494	2,690	2,197	(9,840)	2,888
GS No. 2 - Hildale	1,035	(1,041)	1,235	(578)	(323)	1,821	1,261	311	264	1,703	1,150	(6,395)	442
GS No. 3	457	(409)	616	(188)	(118)	728	403	108	92	557	368	(2,418)	196
GS No. 3 - Kanab City	29	(23)	40	(13)	(8)	52	31	7	7	26	26	(105)	69
GS No. 1-Public Bldg&Auth-Hildale	244	(230)	225	(80)	(37)	497	226	35	35	342	155	(715)	696
GS No. 2-Public Bldg&Auth-Hildale	27	(28)	35	(14)	(7)	60	34	9	6	43	26	(132)	59
Net Meter - Residential	104	(98)	107	(13)	(6)	16	13	4	4	28	42	(429)	(220)
Net Meter - Commercial	132	(101)	159	(54)	(37)	89	172	30	31	144	132	(709)	(14)
Irrigation	33	(27)	57	(95)	(270)	4,995	2,946	454	338	930	317	(568)	9,110
Muni Culinary and Irrig. Pumping	36	(37)	43	(15)	(20)	166	113	23	20	92	47	(205)	265
Extra Large Power Service	5,659	(4,024)	7,910	(3,284)	(1,573)	9,224	5,970	1,199	1,056	10,381	4,956	(34,303)	3,192
Street & Security Lighting	140	(122)	229	(76)	(41)	248	140	32	32	231	162	(801)	175
St. & Security Lights-Kanab City	29	(25)	47	(16)	(9)	51	28	7	6	46	33	(163)	36
Total Utah	63,689	(53,219)	78,494	(24,390)	(13,273)	78,643	49,620	10,875	9,786	69,366	52,449	(329,591)	(7,551)
Arizona													
Residential Service	3,246	(2,806)	4,289	(1,059)	(556)	3,177	2,418	503	491	2,688	2,349	(16,389)	(1,649)
Residential Service - Colorado City	4,001	(3,713)	4,131	(1,685)	(801)	6,853	3,954	1,061	773	4,480	3,238	(20,244)	2,047
GS No. 1	678	(597)	925	(283)	(206)	1,298	851	189	167	1,107	783	(3,527)	1,395
GS No. 1 - Colorado City	599	(548)	652	(289)	(228)	1,584	1,099	285	167	1,050	636	(3,260)	1,743
GS No. 2	1,260	(1,571)	2,207	(930)	(597)	3,351	2,053	477	493	3,904	2,287	(10,722)	2,211
GS No. 2 - Colorado City	366	(400)	426	(240)	(144)	914	483	135	111	691	461	(3,136)	(330)
GS No. 1 - Public Bldg. & Auth.	168	(150)	222	(43)	(27)	113	80	18	27	235	218	(1,340)	(489)
GS No. 1-Public Bldg&Auth - CC	267	(271)	307	(180)	(82)	667	322	87	61	465	321	(1,417)	547
GS No. 2-Public Bldg&Auth - CC	514	(541)	606	(304)	(207)	1,541	714	217	149	1,128	553	(2,977)	1,392
Irrigation	19	(16)	26	(63)	(75)	360	246	25	28	194	91	(120)	715
Street and Security Lights	14	(12)	23	(8)	(4)	25	14	3	3	16	16	(81)	17
Total	11,131	(10,624)	13,815	(5,084)	(2,929)	19,882	12,234	2,999	2,471	15,965	10,953	(63,214)	7,599
Total System	74,820	(63,843)	92,309	(29,475)	(16,201)	98,525	61,855	13,874	12,256	85,331	63,402	(392,805)	48

GARKANE ENERGY COOPERATIVE, INC.

CHANGES IN REPRESENTATIVE RATE SCHEDULES

	Existing	Proposed	Change
Power Cost, per kWh Sold	\$0.034360	\$0.037493	\$0.003133
WPCA Base Cost, per kWh Sold	\$0.025580	\$0.037493	\$0.011913
WPCA Factor, per kWh	\$0.008780	\$0.000000	(\$0.008780)
SPAC Factor, per kWh	(\$0.005004)	\$0.000000	\$0.005004
Total Pass Through Factors, per kWh	\$0.003776	\$0.000000	(\$0.003776)
Residential-Utah			
Base Charge	\$17.00	\$22.00	\$5.00
Minimum Bill	\$30.00	\$35.00	\$5.00
Energy Charge, per kWh			
First 1,000 kWh per month	\$0.072000	\$0.071800	(\$0.000200)
Over 1,000 kWh per month	\$0.059000	\$0.066800	\$0.007800
Residential-Kanab City			
Base Charge	\$17.00	\$22.00	\$5.00
Minimum Bill	\$30.00	\$35.00	\$5.00
Energy Charge, per kWh			
First 1,000 kWh per month	\$0.078000	\$0.077800	(\$0.000200)
Over 1,000 kWh per month	\$0.065000	\$0.072800	\$0.007800
Residential-Arizona			
Base Charge	\$12.50	\$22.00	\$9.50
Energy Charge, per kWh	\$0.069070	\$0.071800	\$0.002730
Residential-Hiildale			
Base Charge	\$12.50	\$22.00	\$9.50
Energy Charge, per kWh	\$0.069070	\$0.099800	\$0.030730
Adjustment Charge, per kWh	\$0.037317	\$0.000000	(\$0.037317)

GARKANE ENERGY COOPERATIVE, INC.

CHANGES IN REPRESENTATIVE RATE SCHEDULES

	Existing	Proposed	Change
Power Cost, per kWh Sold	\$0.034360	\$0.037493	\$0.003133
WPCA Base Cost, per kWh Sold	\$0.025580	\$0.037493	\$0.011913
WPCA Factor, per kWh	\$0.008780	\$0.000000	(\$0.008780)
SPAC Factor, per kWh	(\$0.005004)	\$0.000000	\$0.005004
Total Pass Through Factors, per kWh	\$0.003776	\$0.000000	(\$0.003776)
General Service No. 1-Utah			
Base Charge	\$18.00	\$25.00	\$7.00
Demand Charge, per Billing kW			
First 3 Billing kW per month	\$0.00	\$2.00	\$2.00
Over 3 Billing kW per month	\$7.20	\$7.50	\$0.30
Energy Charge, per kWh			
First 5,000 kWh per month	\$0.061000	\$0.057200	(\$0.003800)
Over 5,000 kWh per month	\$0.046000	\$0.052200	\$0.006200
General Service No. 1- Kanab City			
Base Charge	\$18.00	\$25.00	\$7.00
Demand Charge, per Billing kW			
First 3 Billing kW per month	\$0.00	\$2.00	\$2.00
Over 3 Billing kW per month	\$7.20	\$7.50	\$0.30
Energy Charge, per kWh			
First 5,000 kWh per month	\$0.067000	\$0.063200	(\$0.003800)
Over 5,000 kWh per month	\$0.052000	\$0.058200	\$0.006200
General Service No. 1-Arizona			
Base Charge	\$12.50	\$25.00	\$12.50
Demand Charge, per Billing kW	\$6.37	\$7.50	\$1.13
Energy Charge, per kWh	\$0.058450	\$0.057200	(\$0.001250)

GARKANE ENERGY COOPERATIVE, INC.

CHANGES IN REPRESENTATIVE RATE SCHEDULES

	Existing	Proposed	Change
Power Cost, per kWh Sold	\$0.034360	\$0.037493	\$0.003133
WPCA Base Cost, per kWh Sold	\$0.025580	\$0.037493	\$0.011913
WPCA Factor, per kWh	\$0.008780	\$0.000000	(\$0.008780)
SPAC Factor, per kWh	(\$0.005004)	\$0.000000	\$0.005004
Total Pass Through Factors, per kWh	\$0.003776	\$0.000000	(\$0.003776)
General Service No.1 - Hildale			
General Service No.1 - Colorado City			
Base Charge	\$12.50	\$25.00	\$12.50
Demand Charge, per Billing kW	\$6.37	\$7.50	\$1.13
Energy Charge, per kWh	\$0.058450	\$0.057200	(\$0.001250)
Adjustment Charge, per kWh	\$0.006177	\$0.000000	(\$0.006177)
General Service No.2 - Utah			
Base Charge	\$30.00	\$30.00	\$0.00
Demand Charge, per Billing kW	\$7.25	\$8.55	\$1.30
Energy Charge, per kWh	\$0.058100	\$0.058100	\$0.000000
General Service No.2- Kanab City			
Base Charge	\$30.00	\$30.00	\$0.00
Demand Charge, per Billing kW	\$7.25	\$8.55	\$1.30
Energy Charge, per kWh	\$0.064100	\$0.064100	\$0.000000
General Service No.2 - Arizona			
Base Charge	\$20.00	\$30.00	\$10.00
Demand Charge, per Billing kW	\$6.37	\$8.55	\$2.18
Energy Charge, per kWh	\$0.061150	\$0.058100	(\$0.003050)
General Service No.2 - Hildale			
General Service No.2 - Colorado City			
Base Charge	\$20.00	\$30.00	\$10.00
Demand Charge, per Billing kW	\$6.37	\$8.55	\$2.18
Energy Charge, per kWh	\$0.061150	\$0.058100	(\$0.003050)
Adjustment Charge, per kWh	\$0.015035	\$0.000000	(\$0.015035)

GARKANE ENERGY COOPERATIVE, INC.

CHANGES IN REPRESENTATIVE RATE SCHEDULES

	Existing	Proposed	Change
Power Cost, per kWh Sold	\$0.034360	\$0.037493	\$0.003133
WPCA Base Cost, per kWh Sold	\$0.025580	\$0.037493	\$0.011913
WPCA Factor, per kWh	\$0.008780	\$0.000000	(\$0.008780)
SPAC Factor, per kWh	(\$0.005004)	\$0.000000	\$0.005004
Total Pass Through Factors, per kWh	\$0.003776	\$0.000000	(\$0.003776)
General Service No.3			
Base Charge	\$30.00	\$30.00	\$0.00
Demand Charge, per Billing kW	\$9.95	\$9.95	\$0.00
Energy Charge, per kWh	\$0.086000	\$0.086000	\$0.000000
General Service No.3- Kanab City			
Base Charge	\$30.00	\$30.00	\$0.00
Demand Charge, per Billing kW	\$9.95	\$9.95	\$0.00
Energy Charge, per kWh	\$0.092000	\$0.092000	\$0.000000
Public Bldgs.&Authorities-GS No.1-Arizona			
Base Charge	\$12.50	\$25.00	\$12.50
Demand Charge, per Billing kW	\$6.37	\$7.50	\$1.13
Energy Charge, per kWh	\$0.058450	\$0.057200	(\$0.001250)
Public Bldgs.&Authorities-GS No.1-Hildale			
Base Charge	\$12.50	\$25.00	\$12.50
Demand Charge, per Billing kW	\$6.37	\$7.50	\$1.13
Energy Charge, per kWh	\$0.058450	\$0.057200	(\$0.001250)
Adjustment Charge, per kWh	\$0.003956	\$0.000000	(\$0.003956)
Public Bldgs.&Authorities-GS No.2-Hildale			
Base Charge	\$20.00	\$30.00	\$10.00
Demand Charge, per Billing kW	\$6.37	\$8.55	\$2.18
Energy Charge, per kWh	\$0.061150	\$0.058100	(\$0.003050)
Adjustment Charge, per kWh	\$0.003956	\$0.000000	(\$0.003956)

GARKANE ENERGY COOPERATIVE, INC.

CHANGES IN REPRESENTATIVE RATE SCHEDULES

	Existing	Proposed	Change
Power Cost, per kWh Sold	\$0.034360	\$0.037493	\$0.003133
WPCA Base Cost, per kWh Sold	\$0.025580	\$0.037493	\$0.011913
WPCA Factor, per kWh	\$0.008780	\$0.000000	(\$0.008780)
SPAC Factor, per kWh	(\$0.005004)	\$0.000000	\$0.005004
Total Pass Through Factors, per kWh	\$0.003776	\$0.000000	(\$0.003776)
Irrigation-Utah			
Base Charge	\$30.00	\$30.00	\$0.00
Demand Charge, per Billing kW	\$7.25	\$7.30	\$0.05
Energy Charge, per kWh			
First 10,000 kWh per month	\$0.062000	\$0.057200	(\$0.004800)
Over 10,000 kWh per month	\$0.048000	\$0.052200	\$0.004200
Municipal Culinary and Irrigation Pumping-Utah			
Base Charge	\$30.00	\$30.00	\$0.00
Demand Charge, per Billing kW	\$8.70	\$8.70	\$0.00
Energy Charge, per kWh			
On Peak kWh per month	\$0.079000	\$0.079000	\$0.000000
Off Peak kWh per month	\$0.050000	\$0.050000	\$0.000000
Irrigation-Arizona			
Base Charge, Single Phase	\$75.00	\$75.00	\$0.00
Base Charge, Three Phase	\$125.00	\$125.00	\$0.00
Demand Charge, per Billing kW	\$5.31	\$7.30	\$1.99
Energy Charge, per kWh	\$0.057230	\$0.057000	(\$0.000230)

GARKANE ENERGY COOPERATIVE, INC.

CHANGES IN REPRESENTATIVE RATE SCHEDULES

	Existing	Proposed	Change
Power Cost, per kWh Sold	\$0.034360	\$0.037493	\$0.003133
WPCA Base Cost, per kWh Sold	\$0.025580	\$0.037493	\$0.011913
WPCA Factor, per kWh	\$0.008780	\$0.000000	(\$0.008780)
SPAC Factor, per kWh	(\$0.005004)	\$0.000000	\$0.005004
Total Pass Through Factors, per kWh	\$0.003776	\$0.000000	(\$0.003776)
Street & Security Lighting			
100 Watts MV	\$7.85	\$8.15	\$0.30
250 Watts MV	\$12.50	\$12.90	\$0.40
400 Watts HPS	\$17.00	\$17.50	\$0.50
Street & Security Lighting - Kanab City			
100 Watts MV	\$7.85	\$8.15	\$0.30
250 Watts MV	\$12.50	\$12.90	\$0.40
400 Watts HPS	\$17.00	\$17.50	\$0.50
Street & Security Lighting - Arizona			
100 Watts MV	\$8.12	\$8.15	\$0.03
250 Watts MV	\$12.50	\$12.90	\$0.40
400 Watts HPS	\$17.00	\$17.50	\$0.50

GARKANE ENERGY COOPERATIVE, INC.

COMPARISON OF EXISTING AND PROPOSED RATES
RESIDENTIAL-ARIZONA

kWh Usage	No. of Bills in Block	Existing Rate	Proposed Rate	Change	Percent Change
Base Charge		\$12.50	\$22.00	\$9.50	76.00%
Energy Charge, per kWh		\$0.069070	\$0.071800	\$0.002730	3.95%
WPCA Factor, per kWh		\$0.008780	\$0.000000	(\$0.008780)	-100.00%
Total Energy Charge, per kWh		\$0.077850	\$0.071800	(\$0.006050)	-7.77%
50	19	\$16.39	\$25.59	\$9.20	56.13%
100	16	\$20.29	\$29.18	\$8.89	43.81%
300	49	\$35.86	\$43.54	\$7.68	21.42%
500	61	\$51.43	\$57.90	\$6.47	12.58%
800	77	\$74.78	\$79.44	\$4.66	6.23%
1,000	43	\$90.35	\$93.80	\$3.45	3.82%
3,000	211	\$246.05	\$237.40	(\$8.65)	-3.52%
5,000	41	\$401.75	\$381.00	(\$20.75)	-5.16%
1,507 Average		\$129.82	\$130.20	\$0.38	0.29%
1,454 Median		\$125.69	\$126.40	\$0.71	0.56%

GARKANE ENERGY COOPERATIVE, INC.

COMPARISON OF EXISTING AND PROPOSED RATES
RESIDENTIAL-COLORADO CITY

kWh Usage	No. of Bills in Block	Existing Rate	Proposed Rate	Change	Percent Change
Base Charge		\$12.50	\$22.00	\$9.50	76.00%
Energy Charge, per kWh		\$0.069070	\$0.099800	\$0.030730	44.49%
Adjustment Charge, per kWh		\$0.037317	\$0.000000	(\$0.037317)	-100.00%
WPCA Factor, per kWh		\$0.003776	\$0.000000	(\$0.003776)	-100.00%
Total Energy Charges, per kWh		\$0.110163	\$0.099800	(\$0.010363)	-9.41%
50	10	\$18.01	\$26.99	\$8.98	49.86%
100	6	\$23.52	\$31.98	\$8.46	35.97%
300	36	\$45.55	\$51.94	\$6.39	14.03%
500	48	\$67.58	\$71.90	\$4.32	6.39%
800	91	\$100.63	\$101.84	\$1.21	1.20%
1,000	63	\$122.66	\$121.80	(\$0.86)	-0.70%
3,000	384	\$342.99	\$321.40	(\$21.59)	-6.29%
5,000	124	\$563.32	\$521.00	(\$42.32)	-7.51%
2,088 Average		\$242.52	\$230.38	(\$12.14)	-5.01%
1,451 Median		\$172.35	\$166.81	(\$5.54)	-3.21%

GARKANE ENERGY COOPERATIVE, INC.

COMPARISON OF EXISTING AND PROPOSED RATES
GENERAL SERVICE NO.1-AZONA

Load Factor	Billing kW	kWh Usage	Existing Rate	Proposed Rate	Change	Percent Change
Base Charge			\$12.50	\$25.00	\$12.50	100.00%
Demand Charge, per Billing kW			\$6.37	\$7.50	\$1.13	17.74%
Energy Charge, per kWh			\$0.058450	\$0.057200	(\$0.001250)	-2.14%
WPCA Factor, per kWh			\$0.008780	\$0.000000	(\$0.008780)	-100.00%
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10.00%	5	365	\$68.89	\$83.38	\$14.49	21.03%
20.00%	5	730	\$93.43	\$104.26	\$10.83	11.59%
30.00%	5	1,095	\$117.97	\$125.13	\$7.16	6.07%
40.00%	5	1,460	\$142.51	\$146.01	\$3.50	2.46%
50.00%	5	1,825	\$167.04	\$166.89	(\$0.15)	-0.09%
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10.00%	7.5	548	\$97.12	\$112.60	\$15.48	15.94%
20.00%	7.5	1,095	\$133.89	\$143.88	\$9.99	7.46%
30.00%	7.5	1,643	\$170.73	\$175.23	\$4.50	2.64%
40.00%	7.5	2,190	\$207.51	\$206.52	(\$0.99)	-0.48%
50.00%	7.5	2,738	\$244.35	\$237.86	(\$6.49)	-2.66%
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10.00%	10	730	\$125.28	\$141.76	\$16.48	13.15%
20.00%	10	1,460	\$174.36	\$183.51	\$9.15	5.25%
30.00%	10	2,190	\$223.43	\$225.27	\$1.84	0.82%
40.00%	10	2,920	\$272.51	\$267.02	(\$5.49)	-2.01%
50.00%	10	3,650	\$321.59	\$308.78	(\$12.81)	-3.98%
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10.00%	15	1,095	\$181.67	\$200.13	\$18.46	10.16%
20.00%	15	2,190	\$255.28	\$262.77	\$7.49	2.93%
30.00%	15	3,285	\$328.90	\$325.40	(\$3.50)	-1.06%
40.00%	15	4,380	\$402.52	\$388.04	(\$14.48)	-3.60%
50.00%	15	5,475	\$476.13	\$450.67	(\$25.46)	-5.35%
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35.43% Average	10.53	2,724	\$262.72	\$259.80	(\$2.92)	-1.11%
40.47% Median	5.00	1,477	\$143.65	\$146.98	\$3.33	2.32%

GARKANE ENERGY COOPERATIVE, INC.

COMPARISON OF EXISTING AND PROPOSED RATES
GENERAL SERVICE NO.1 - COLORADO CITY

Load Factor	Billing kW	kWh Usage	Existing Rate	Proposed Rate	Change	Percent Change
Base Charge			\$12.50	\$25.00	\$12.50	100.00%
Demand Charge, per Billing kW			\$6.37	\$7.50	\$1.13	17.74%
Energy Charge, per kWh			\$0.058450	\$0.057200	(\$0.001250)	-2.14%
Adjustment Charge, per kWh			\$0.006177	\$0.000000	(\$0.006177)	-100.00%
WPCA Factor, per kWh			\$0.003776	\$0.000000	(\$0.003776)	-100.00%
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10.00%	7.5	548	\$97.76	\$112.60	\$14.84	15.18%
20.00%	7.5	1,095	\$135.18	\$143.88	\$8.70	6.44%
30.00%	7.5	1,643	\$172.66	\$175.23	\$2.57	1.49%
40.00%	7.5	2,190	\$210.08	\$206.52	(\$3.56)	-1.69%
50.00%	7.5	2,738	\$247.56	\$237.86	(\$9.70)	-3.92%
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10.00%	10.0	730	\$126.13	\$141.76	\$15.63	12.39%
20.00%	10.0	1,460	\$176.07	\$183.51	\$7.44	4.23%
30.00%	10.0	2,190	\$226.00	\$225.27	(\$0.73)	-0.32%
40.00%	10.0	2,920	\$275.94	\$267.02	(\$8.92)	-3.23%
50.00%	10.0	3,650	\$325.87	\$308.78	(\$17.09)	-5.24%
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10.00%	15	1,095	\$182.95	\$200.13	\$17.18	9.39%
20.00%	15	2,190	\$257.85	\$262.77	\$4.92	1.91%
30.00%	15	3,285	\$332.75	\$325.40	(\$7.35)	-2.21%
40.00%	15	4,380	\$407.66	\$388.04	(\$19.62)	-4.81%
50.00%	15	5,475	\$482.56	\$450.67	(\$31.89)	-6.61%
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10.00%	20	1,460	\$239.77	\$258.51	\$18.74	7.82%
20.00%	20	2,920	\$339.64	\$342.02	\$2.38	0.70%
30.00%	20	4,380	\$439.51	\$425.54	(\$13.97)	-3.18%
40.00%	20	5,840	\$539.37	\$509.05	(\$30.32)	-5.62%
50.00%	20	7,300	\$639.24	\$592.56	(\$46.68)	-7.30%
<hr/>						
32.95% Average	13.05	3,139	\$310.35	\$302.43	(\$7.92)	-2.55%
18.21% Median	11.00	1,462	\$182.58	\$191.13	\$8.55	4.68%

GARKANE ENERGY COOPERATIVE, INC.

COMPARISON OF EXISTING AND PROPOSED RATES
GENERAL SERVICE NO.2 - ARIZONA

Load Factor	Billing kW	kWh Usage	Existing Rate	Proposed Rate	Change	Percent Change
Base Charge						
Demand Charge, per Billing kW			\$20.00	\$30.00	\$10.00	50.00%
Energy Charge, per kWh			\$6.37	\$8.55	\$2.18	34.22%
WPCA Factor, per kWh			\$0.061150	\$0.058100	(\$0.003050)	-4.99%
			\$0.008780	\$0.000000	(\$0.008780)	-100.00%
20.00%	100.00	14,600	\$1,677.98	\$1,733.26	\$55.28	3.29%
30.00%	100.00	21,900	\$2,188.47	\$2,157.39	(\$31.08)	-1.42%
50.00%	100.00	36,500	\$3,209.45	\$3,005.65	(\$203.80)	-6.35%
60.00%	100.00	43,800	\$3,719.93	\$3,429.78	(\$290.15)	-7.80%
80.00%	100.00	58,400	\$4,740.91	\$4,278.04	(\$462.87)	-9.76%
20.00%	200.00	29,200	\$3,335.96	\$3,436.52	\$100.56	3.01%
30.00%	200.00	43,800	\$4,356.93	\$4,284.78	(\$72.15)	-1.66%
50.00%	200.00	73,000	\$6,398.89	\$5,981.30	(\$417.59)	-6.53%
60.00%	200.00	87,600	\$7,419.87	\$6,829.56	(\$590.31)	-7.96%
80.00%	200.00	116,800	\$9,461.82	\$8,526.08	(\$935.74)	-9.89%
20.00%	300.00	43,800	\$4,993.93	\$5,139.78	\$145.85	2.92%
30.00%	300.00	65,700	\$6,525.40	\$6,412.17	(\$113.23)	-1.74%
50.00%	300.00	109,500	\$9,586.34	\$8,956.95	(\$631.39)	-6.58%
60.00%	300.00	131,400	\$11,119.80	\$10,229.34	(\$890.46)	-8.01%
80.00%	300.00	175,200	\$14,182.74	\$12,774.12	(\$1,408.62)	-9.93%
20.00%	500.00	73,000	\$8,309.89	\$8,546.30	\$236.41	2.84%
30.00%	500.00	109,500	\$10,862.34	\$10,666.95	(\$195.39)	-1.80%
50.00%	500.00	182,500	\$15,967.23	\$14,908.25	(\$1,058.98)	-6.63%
60.00%	500.00	219,000	\$18,519.67	\$17,028.90	(\$1,490.77)	-8.05%
80.00%	500.00	292,000	\$23,624.56	\$21,270.20	(\$2,354.36)	-9.97%
46.47% Average	351.73	119,320	\$10,604.55	\$9,969.76	(\$634.79)	-5.99%
38.88% Median	500.00	141,898	\$13,127.93	\$12,549.27	(\$578.66)	-4.41%

GARKANE ENERGY COOPERATIVE, INC.

COMPARISON OF EXISTING AND PROPOSED RATES
GENERAL SERVICE NO.2 - COLORADO CITY

Load Factor	Billing kW	kWh Usage	Existing Rate	Proposed Rate	Change	Percent Change
Base Charge			\$20.00	\$30.00	\$10.00	50.00%
Demand Charge, per Billing kW			\$6.37	\$8.55	\$2.18	34.22%
Energy Charge, per kWh			\$0.061150	\$0.058100	(\$0.003050)	-4.99%
Adjustment Charge, per kWh			\$0.015035	\$0.000000	(\$0.015035)	-100.00%
WPCA Factor, per kWh			\$0.003776	\$0.000000	(\$0.003776)	-100.00%
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10.00%	25.0	1,825	\$325.18	\$349.78	\$24.60	7.57%
20.00%	25.0	3,650	\$471.11	\$455.82	(\$15.29)	-3.25%
30.00%	25.0	5,475	\$617.04	\$561.85	(\$55.19)	-8.94%
40.00%	25.0	7,300	\$762.97	\$667.88	(\$95.09)	-12.46%
50.00%	25.0	9,125	\$908.89	\$773.91	(\$134.98)	-14.85%
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10.00%	50.0	3,650	\$630.36	\$669.57	\$39.21	6.22%
20.00%	50.0	7,300	\$922.22	\$881.63	(\$40.59)	-4.40%
30.00%	50.0	10,950	\$1,214.07	\$1,093.70	(\$120.37)	-9.91%
40.00%	50.0	14,600	\$1,505.93	\$1,305.76	(\$200.17)	-13.29%
50.00%	50.0	18,250	\$1,797.79	\$1,517.83	(\$279.96)	-15.57%
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10.00%	75	5,475	\$935.54	\$989.35	\$53.81	5.75%
20.00%	75	10,950	\$1,373.32	\$1,307.45	(\$65.87)	-4.80%
30.00%	75	16,425	\$1,811.11	\$1,625.54	(\$185.57)	-10.25%
40.00%	75	21,900	\$2,248.90	\$1,943.64	(\$305.26)	-13.57%
50.00%	75	27,375	\$2,686.68	\$2,261.74	(\$424.94)	-15.82%
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10.00%	100	7,300	\$1,240.72	\$1,309.13	\$68.41	5.51%
20.00%	100	14,600	\$1,824.43	\$1,733.26	(\$91.17)	-5.00%
30.00%	100	21,900	\$2,408.15	\$2,157.39	(\$250.76)	-10.41%
40.00%	100	29,200	\$2,991.86	\$2,581.52	(\$410.34)	-13.72%
50.00%	100	36,500	\$3,575.58	\$3,005.65	(\$569.93)	-15.94%
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53.77% Average	23.49	9,221	\$906.95	\$766.58	(\$140.37)	-15.48%
58.62% Median	20.00	8,559	\$831.79	\$698.28	(\$133.51)	-16.05%

GARKANE ENERGY COOPERATIVE, INC.

COMPARISON OF EXISTING AND PROPOSED RATES
PUBLIC BLDGS.&AUTHORITIES-GS NO.1-ARIZONA

Load Factor	Billing kW	kWh Usage	Existing Rate	Proposed Rate	Change	Percent Change
Base Charge			\$12.50	\$25.00	\$12.50	100.00%
Demand Charge, per Billing kW			\$6.37	\$7.50	\$1.13	17.74%
Energy Charge, per kWh			\$0.058450	\$0.057200	(\$0.001250)	-2.14%
WPCA Factor, per kWh			\$0.008780	\$0.000000	(\$0.008780)	-100.00%
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10.00%	5.0	365	\$68.89	\$83.38	\$14.49	21.03%
20.00%	5.0	730	\$93.43	\$104.26	\$10.83	11.59%
30.00%	5.0	1,095	\$117.97	\$125.13	\$7.16	6.07%
40.00%	5.0	1,460	\$142.51	\$146.01	\$3.50	2.46%
50.00%	5.0	1,825	\$167.04	\$166.89	(\$0.15)	-0.09%
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10.00%	10.0	730	\$125.28	\$141.76	\$16.48	13.15%
20.00%	10.0	1,460	\$174.36	\$183.51	\$9.15	5.25%
30.00%	10.0	2,190	\$223.43	\$225.27	\$1.84	0.82%
40.00%	10.0	2,920	\$272.51	\$267.02	(\$5.49)	-2.01%
50.00%	10.0	3,650	\$321.59	\$308.78	(\$12.81)	-3.98%
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10.00%	25.0	1,825	\$294.44	\$316.89	\$22.45	7.62%
20.00%	25.0	3,650	\$417.14	\$421.28	\$4.14	0.99%
30.00%	25.0	5,475	\$539.83	\$525.67	(\$14.16)	-2.62%
40.00%	25.0	7,300	\$662.53	\$630.06	(\$32.47)	-4.90%
50.00%	25.0	9,125	\$785.22	\$734.45	(\$50.77)	-6.47%
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10.00%	50.0	3,650	\$576.39	\$608.78	\$32.39	5.62%
20.00%	50.0	7,300	\$821.78	\$817.56	(\$4.22)	-0.51%
30.00%	50.0	10,950	\$1,067.17	\$1,026.34	(\$40.83)	-3.83%
40.00%	50.0	14,600	\$1,312.56	\$1,235.12	(\$77.44)	-5.90%
50.00%	50.0	18,250	\$1,557.95	\$1,443.90	(\$114.05)	-7.32%
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32.67% Average	20.61	4,916	\$474.29	\$460.77	(\$13.52)	-2.85%
34.00% Median	10.00	2,482	\$243.06	\$241.97	(\$1.09)	-0.45%

GARKANE ENERGY COOPERATIVE, INC.

COMPARISON OF EXISTING AND PROPOSED RATES
PUBLIC BLDGS.&AUTHORITIES-GS NO.1-COLORADO CITY

Load Factor	Billing kW	kWh Usage	Existing Rate	Proposed Rate	Change	Percent Change
Base Charge			\$12.50	\$25.00	\$12.50	100.00%
Demand Charge, per Billing kW			\$6.37	\$7.50	\$1.13	17.74%
Energy Charge, per kWh			\$0.069450	\$0.057200	(\$0.001250)	-2.14%
Adjustment Factors			\$0.003956	\$0.000000	(\$0.003956)	-100.00%
WPCA Factor, per kWh			\$0.003776	\$0.000000	(\$0.003776)	-100.00%
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10.00%	5.0	365	\$68.51	\$83.38	\$14.87	21.70%
20.00%	5.0	730	\$92.66	\$104.26	\$11.60	12.52%
30.00%	5.0	1,095	\$116.82	\$125.13	\$8.31	7.11%
40.00%	5.0	1,460	\$140.98	\$146.01	\$5.03	3.57%
50.00%	5.0	1,825	\$165.13	\$166.89	\$1.76	1.07%
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10.00%	10.0	730	\$124.51	\$141.76	\$17.25	13.85%
20.00%	10.0	1,460	\$172.83	\$183.51	\$10.68	6.18%
30.00%	10.0	2,190	\$221.14	\$225.27	\$4.13	1.87%
40.00%	10.0	2,920	\$269.45	\$267.02	(\$2.43)	-0.90%
50.00%	10.0	3,650	\$317.76	\$308.78	(\$8.98)	-2.83%
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10.00%	25.0	1,825	\$292.53	\$316.89	\$24.36	8.33%
20.00%	25.0	3,650	\$413.31	\$421.28	\$7.97	1.93%
30.00%	25.0	5,475	\$534.10	\$525.67	(\$8.43)	-1.58%
40.00%	25.0	7,300	\$654.88	\$630.06	(\$24.82)	-3.79%
50.00%	25.0	9,125	\$775.66	\$734.45	(\$41.21)	-5.31%
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10.00%	50.0	3,650	\$572.56	\$608.78	\$36.22	6.33%
20.00%	50.0	7,300	\$814.13	\$817.56	\$3.43	0.42%
30.00%	50.0	10,950	\$1,055.69	\$1,026.34	(\$29.35)	-2.78%
40.00%	50.0	14,600	\$1,297.26	\$1,235.12	(\$62.14)	-4.79%
50.00%	50.0	18,250	\$1,538.82	\$1,443.90	(\$94.92)	-6.17%
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49.45% Average	12.44	4,491	\$388.97	\$375.19	(\$13.78)	-3.54%
48.19% Median	10.00	3,518	\$309.03	\$301.23	(\$7.80)	-2.52%

GARKANE ENERGY COOPERATIVE, INC.

COMPARISON OF EXISTING AND PROPOSED RATES
PUBLIC BLDGS.&AUTHORITIES-GS NO.2-COLORADO CITY

Load Factor	Billing kW	kWh Usage	Existing Rate	Proposed Rate	Change	Percent Change
Base Charge			\$20.00	\$30.00	\$10.00	50.00%
Demand Charge, per Billing kW			\$6.37	\$8.55	\$2.18	34.22%
Energy Charge, per kWh			\$0.061150	\$0.058100	(\$0.003050)	-4.99%
Adjustment Factors			\$0.003956	\$0.000000	(\$0.003956)	-100.00%
WPCA Factor, per kWh			\$0.003776	\$0.000000	(\$0.003776)	-100.00%
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10.00%	5.0	365	\$76.99	\$93.96	\$16.97	22.04%
20.00%	5.0	730	\$102.13	\$115.16	\$13.03	12.76%
30.00%	5.0	1,095	\$127.28	\$136.37	\$9.09	7.14%
40.00%	5.0	1,460	\$152.42	\$157.58	\$5.16	3.39%
50.00%	5.0	1,825	\$177.56	\$178.78	\$1.22	0.69%
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10.00%	10.0	730	\$133.98	\$157.91	\$23.93	17.86%
20.00%	10.0	1,460	\$184.27	\$200.33	\$16.06	8.72%
30.00%	10.0	2,190	\$234.55	\$242.74	\$8.19	3.49%
40.00%	10.0	2,920	\$284.84	\$285.15	\$0.31	0.11%
50.00%	10.0	3,650	\$335.12	\$327.57	(\$7.55)	-2.25%
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10.00%	25.0	1,825	\$304.96	\$349.78	\$44.82	14.70%
20.00%	25.0	3,650	\$430.67	\$455.82	\$25.15	5.84%
30.00%	25.0	5,475	\$556.38	\$561.85	\$5.47	0.98%
40.00%	25.0	7,300	\$682.09	\$667.88	(\$14.21)	-2.08%
50.00%	25.0	9,125	\$807.80	\$773.91	(\$33.89)	-4.20%
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10.00%	50.0	3,650	\$589.92	\$669.57	\$79.65	13.50%
20.00%	50.0	7,300	\$841.34	\$881.63	\$40.29	4.79%
30.00%	50.0	10,950	\$1,092.76	\$1,093.70	\$0.94	0.09%
40.00%	50.0	14,600	\$1,344.18	\$1,305.76	(\$38.42)	-2.86%
50.00%	50.0	18,250	\$1,595.60	\$1,517.83	(\$77.77)	-4.87%
42.27% Average	41.60	12,838	\$1,169.31	\$1,131.58	(\$37.73)	-3.23%

GARKANE ENERGY COOPERATIVE, INC.

COMPARISON OF EXISTING AND PROPOSED RATES
STREET & SECURITY LIGHTING - ARIZONA

	Existing Rate	Proposed Rate	Change	Percent Change
100 Watts MV	\$8.12	\$8.15	\$0.03	0.37%
250 Watts MV	\$12.50	\$12.90	\$0.40	3.20%
400 Watts HPS	\$17.00	\$17.50	\$0.50	2.94%
WPCA Factor, per kWh	\$0.008780	\$0.000000	(\$0.008780)	-100.00%
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100 Watts MV	\$8.47	\$8.15	(\$0.32)	-3.78%
250 Watts MV	\$13.38	\$12.90	(\$0.48)	-3.59%
400 Watts HPS	\$18.40	\$17.50	(\$0.90)	-4.89%

GARKANE ENERGY COOPERATIVE, INC.

BILL FREQUENCY ANALYSIS - RESIDENTIAL - ARIZONA
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

Usage Block		Bills Ending in Block		Accum Bills Ending in Block		Usage Billed in Block		Accum %	
Min Block	Max Block	Bills	Usage	Bills	Usage	Usage	Percent	Accum Usage	Accum %
Residential - Arizona									
1	10	53	276	53	276	63,806	0.66%	63,806	0.66%
11	20	43	676	96	952	63,346	0.66%	127,152	1.32%
21	30	52	1,293	148	2,245	62,833	0.65%	189,985	1.97%
31	40	37	1,320	185	3,565	62,420	0.65%	252,405	2.61%
41	50	44	1,977	229	5,542	61,987	0.64%	314,392	3.26%
51	60	36	1,991	265	7,533	61,601	0.64%	375,993	3.89%
61	70	46	3,050	311	10,583	61,240	0.63%	437,233	4.53%
71	80	35	2,657	346	13,240	60,807	0.63%	498,040	5.16%
81	90	40	3,402	386	16,642	60,402	0.63%	558,442	5.78%
91	100	30	2,887	416	19,529	60,087	0.62%	618,529	6.41%
101	200	291	43,471	707	63,000	584,271	6.05%	1,202,800	12.46%
201	300	299	76,008	1,006	139,008	556,208	5.76%	1,759,008	18.22%
301	400	396	139,253	1,402	278,261	520,853	5.39%	2,279,861	23.61%
401	500	340	153,585	1,742	431,846	483,985	5.01%	2,763,846	28.63%
501	600	323	177,427	2,065	609,273	450,027	4.66%	3,213,873	33.29%
601	700	299	193,741	2,364	803,014	418,541	4.33%	3,632,414	37.62%
701	800	296	220,961	2,660	1,023,975	388,361	4.02%	4,020,775	41.64%
801	900	278	236,078	2,938	1,260,053	360,478	3.73%	4,381,253	45.38%
901	1,000	232	220,663	3,170	1,480,716	335,463	3.47%	4,716,716	48.85%
1,001	2,000	1,694	2,462,622	4,864	3,943,338	2,310,622	23.93%	7,027,338	72.78%
2,001	3,000	839	2,044,612	5,703	5,987,950	1,069,612	11.08%	8,096,950	83.86%
3,001	4,000	371	1,271,254	6,074	7,259,204	490,254	5.08%	8,587,204	88.94%
4,001	5,000	126	561,383	6,200	7,820,587	263,383	2.73%	8,850,587	91.67%
5,001	6,000	71	386,512	6,271	8,207,099	166,512	1.72%	9,017,099	93.39%
6,001	7,000	49	316,275	6,320	8,523,374	108,275	1.12%	9,125,374	94.51%
7,001	8,000	24	176,510	6,344	8,699,884	70,510	0.73%	9,195,884	95.24%
8,001	9,000	16	134,408	6,360	8,834,292	52,408	0.54%	9,248,292	95.78%
9,001	10,000	5	47,848	6,365	8,882,140	43,848	0.45%	9,292,140	96.24%
10,001	999,999,999	41	773,123	6,406	9,655,263	363,123	3.76%	9,655,263	100.00%
Total		6,406	9,655,263			9,655,263	100.00%		
Average		3,203	1,507						
Median Customer kWh Usage			1,454						

GARKANE ENERGY COOPERATIVE, INC.

BILL FREQUENCY ANALYSIS - COLORADO CITY - ARIZONA
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

Usage Block		Bills Ending in Block		Accum Bills Ending in Block		Usage Billed in Block	
Min Block	Max Block	Bills	Usage	Bills	Usage	Percent	Accum Usage
Total Residential TOU 6 Months - Arizona							
1	10	46	215	46	215	0.48%	68,205
11	20	18	273	64	488	0.48%	136,108
21	30	8	209	72	697	0.47%	203,887
31	40	9	323	81	1,020	0.47%	271,580
41	50	11	502	92	1,522	0.47%	339,172
51	60	5	285	97	1,807	0.47%	406,687
61	70	8	521	105	2,328	0.47%	474,128
71	80	10	734	115	3,062	0.47%	541,462
81	90	6	522	121	3,584	0.47%	608,744
91	100	8	764	129	4,348	0.47%	675,948
101	200	123	19,561	252	23,909	4.66%	1,342,509
201	300	155	39,607	407	63,516	4.56%	1,994,916
301	400	204	71,350	611	134,866	4.43%	2,628,466
401	500	228	103,439	839	238,305	4.29%	3,241,305
501	600	258	141,191	1,097	379,496	4.11%	3,828,296
601	700	237	153,887	1,334	533,383	3.94%	4,391,083
701	800	301	226,302	1,635	759,685	3.75%	4,927,685
801	900	289	246,241	1,924	1,005,926	3.55%	5,434,826
901	1,000	269	256,115	2,193	1,262,041	3.35%	5,914,041
1,001	2,000	2,081	3,019,277	4,274	4,281,318	24.55%	9,423,318
2,001	3,000	1,124	2,751,275	5,398	7,032,593	13.64%	11,373,593
3,001	4,000	620	2,148,734	6,018	9,181,327	7.80%	12,489,327
4,001	5,000	356	1,581,850	6,374	10,763,177	4.40%	13,118,177
5,001	6,000	155	844,322	6,529	11,607,499	2.70%	13,503,499
6,001	7,000	117	757,076	6,646	12,364,575	1.78%	13,757,575
7,001	8,000	68	506,184	6,714	12,870,759	1.13%	13,918,759
8,001	9,000	39	330,504	6,753	13,201,263	0.77%	14,029,263
9,001	10,000	28	265,766	6,781	13,467,029	0.54%	14,107,029
10,001	999,999,999	64	826,167	6,845	14,293,196	1.32%	14,295,196
Total		6,845	14,293,196			100.00%	
Average				3,423	2,088		
Median Customer kWh Usage					1,451		

GARKANE ENERGY COOPERATIVE, INC.

BILL FREQUENCY ANALYSIS - GENERAL SERVICE NO. 1 - ARIZONA
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

Usage Block		Bills Ending in Block		Accum Bills Ending in Block		Usage Billed in Block		Accum %
Min Block	Max Block	Bills	Usage	Bills	Usage	Usage	Percent	
Total Residential TOU 12 Months - Arizona								
0	0	301	0	301	0	0	0.00%	0.00%
1	10	22	94	22	94	12,344	0.44%	0.44%
11	20	17	237	39	331	12,147	0.44%	0.88%
21	30	6	148	45	479	12,048	0.43%	1.31%
31	40	12	455	57	934	11,995	0.43%	1.74%
41	50	21	942	78	1,876	11,792	0.42%	2.16%
51	60	21	1,171	99	3,047	11,601	0.42%	2.58%
61	70	33	2,172	132	5,219	11,342	0.41%	2.99%
71	80	19	1,423	151	6,642	11,053	0.40%	3.38%
81	90	24	2,070	175	8,712	10,870	0.39%	3.77%
91	100	25	2,386	200	11,098	10,606	0.38%	4.15%
101	200	102	14,801	302	25,899	99,101	3.55%	7.71%
201	300	91	22,210	393	48,109	89,410	3.21%	10.92%
301	400	60	21,212	453	69,321	82,612	2.96%	13.88%
401	500	51	22,742	504	92,063	76,642	2.75%	16.63%
501	600	71	38,961	575	131,024	70,661	2.53%	19.16%
601	700	63	40,826	638	171,850	63,926	2.29%	21.46%
701	800	39	29,116	677	200,966	58,816	2.11%	23.56%
801	900	28	23,577	705	224,543	55,377	1.99%	25.55%
901	1,000	24	22,757	729	247,300	52,957	1.90%	27.45%
1,001	2,000	191	282,172	920	529,472	418,172	15.00%	42.45%
2,001	3,000	107	259,448	1,027	788,920	265,448	9.52%	51.97%
3,001	4,000	49	168,174	1,076	957,094	192,174	6.89%	58.86%
4,001	5,000	29	131,984	1,105	1,089,078	157,984	5.67%	64.53%
5,001	6,000	25	137,858	1,130	1,226,936	129,858	4.66%	69.19%
6,001	7,000	23	149,350	1,153	1,376,286	105,350	3.78%	72.97%
7,001	8,000	22	163,797	1,175	1,540,083	81,797	2.93%	75.90%
8,001	9,000	18	151,600	1,193	1,691,683	61,600	2.21%	78.11%
9,001	10,000	8	74,773	1,201	1,766,456	48,773	1.75%	79.86%
10,001	999,999,999	46	1,021,466	1,247	2,787,922	561,466	20.14%	100.00%
Total		1,548	2,787,922			2,787,922	100.00%	
Average				774				
Median Customer kWh Usage					2,236			
					1,477			

GARKANE ENERGY COOPERATIVE, INC.

BILL FREQUENCY ANALYSIS - GENERAL SERVICE NO. 1, COLORADO CITY - ARIZONA
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

Usage Block		Bills Ending in Block		Accum Bills Ending in Block		Usage Billed in Block		Accum %
Min Block	Max Block	Bills	Usage	Bills	Usage	Usage	Percent	
0	0	251	0	251	0	0	0.00%	0.00%
1	10	23	75	23	75	9,335	0.31%	0.31%
11	20	2	24	25	99	9,244	0.31%	0.62%
21	30	1	28	26	127	9,238	0.31%	0.93%
31	40	5	179	31	306	9,209	0.31%	1.24%
41	50	4	172	35	478	9,152	0.31%	1.55%
51	60	5	277	40	755	9,117	0.30%	1.86%
61	70	1	62	41	817	9,082	0.30%	2.16%
71	80	8	610	49	1,427	9,050	0.30%	2.46%
81	90	6	514	55	1,941	8,974	0.30%	2.77%
91	100	4	382	59	2,323	8,922	0.30%	3.07%
101	200	34	5,298	93	7,621	87,498	2.94%	6.00%
201	300	36	9,290	129	16,911	84,090	2.82%	8.82%
301	400	30	10,554	159	27,465	80,554	2.70%	11.53%
401	500	42	19,053	201	46,518	77,053	2.59%	14.11%
501	600	26	14,416	227	60,934	73,616	2.47%	16.59%
601	700	31	20,480	258	81,414	70,980	2.38%	18.97%
701	800	48	35,924	306	117,338	66,624	2.24%	21.20%
801	900	33	27,843	339	145,181	62,443	2.10%	23.30%
901	1,000	27	25,626	366	170,807	59,626	2.00%	25.30%
1,001	2,000	235	343,499	601	514,306	456,499	15.32%	40.62%
2,001	3,000	111	264,174	712	778,480	279,174	9.37%	49.99%
3,001	4,000	51	175,312	763	953,792	208,312	6.99%	56.99%
4,001	5,000	30	134,146	793	1,087,938	170,146	5.71%	62.70%
5,001	6,000	21	114,825	814	1,202,763	144,825	4.86%	67.56%
6,001	7,000	10	65,496	824	1,268,259	130,496	4.38%	71.94%
7,001	8,000	12	90,507	836	1,358,766	119,507	4.01%	75.95%
8,001	9,000	12	101,824	848	1,460,590	106,824	3.59%	79.53%
9,001	10,000	14	132,848	862	1,593,438	93,848	3.15%	82.68%
10,001	999,999,999	87	1,385,908	949	2,979,346	515,908	17.32%	100.00%
Total		1,200	2,979,346	600		2,979,346	100.00%	
Average					3,139			
Median Customer kWh Usage					1,462			

GARKANE ENERGY COOPERATIVE, INC.

BILL FREQUENCY ANALYSIS - GENERAL SERVICE NO. 2 - ARIZONA
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

Usage Block		Bills Ending in Block		Accum Bills Ending in Block		Usage Billed in Block		Accum %
Min Block	Max Block	Bills	Usage	Bills	Usage	Usage	Percent	
0	0	7	0	0	0	0	0.00%	0.00%
1	10	0	0	7	0	0	0.01%	0.01%
11	20	0	0	0	0	650	0.01%	0.02%
21	30	0	0	0	0	650	0.01%	0.03%
31	40	0	0	0	0	650	0.01%	0.03%
41	50	0	0	0	0	650	0.01%	0.04%
51	60	0	0	0	0	650	0.01%	0.05%
61	70	0	0	0	0	650	0.01%	0.06%
71	80	0	0	0	0	650	0.01%	0.07%
81	90	0	0	0	0	650	0.01%	0.08%
91	100	0	0	0	0	650	0.01%	0.08%
101	200	0	0	0	0	6,500	0.08%	0.17%
201	300	0	0	0	0	6,500	0.08%	0.25%
301	400	0	0	0	0	6,500	0.08%	0.34%
401	500	0	0	0	0	6,500	0.08%	0.42%
501	600	0	0	0	0	6,500	0.08%	0.50%
601	700	0	0	0	0	6,500	0.08%	0.59%
701	800	0	0	0	0	6,500	0.08%	0.67%
801	900	0	0	0	0	6,500	0.08%	0.75%
901	1,000	0	0	0	0	6,500	0.08%	0.84%
1,001	2,000	0	0	0	0	65,000	0.84%	1.68%
2,001	3,000	0	0	0	0	65,000	0.84%	2.51%
3,001	4,000	0	0	0	0	65,000	0.84%	3.35%
4,001	5,000	0	0	0	0	65,000	0.84%	4.19%
5,001	6,000	0	0	0	0	65,000	0.84%	5.03%
6,001	7,000	1	6,680	1	6,680	64,680	0.83%	5.86%
7,001	8,000	2	15,240	3	21,920	63,240	0.82%	6.68%
8,001	9,000	5	42,320	8	64,240	59,320	0.76%	7.44%
9,001	10,000	3	29,080	11	93,320	56,080	0.72%	8.17%
10,001	999,999,999	54	7,662,475	65	7,755,795	7,122,475	91.83%	100.00%
Total		72	7,755,795	36		7,755,795	100.00%	
Average					119,320			
Median Customer kWh Usage					141,898			

GARKANE ENERGY COOPERATIVE, INC.

BILL FREQUENCY ANALYSIS - GENERAL SERVICE NO. 2, COLORADO CITY - ARIZONA
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

Usage Block		Bills Ending in Block		Accum Bills Ending in Block		Usage Billed in Block		Accum %
Min Block	Max Block	Bills	Usage	Bills	Usage	Usage	Percent	
1	10	0	0	0	0	2,040	0.11%	0.11%
11	20	0	0	0	0	2,040	0.11%	0.22%
21	30	0	0	0	0	2,040	0.11%	0.33%
31	40	1	40	1	40	2,040	0.11%	0.43%
41	50	0	0	1	40	2,030	0.11%	0.54%
51	60	0	0	1	40	2,030	0.11%	0.65%
61	70	0	0	1	40	2,030	0.11%	0.76%
71	80	2	160	3	200	2,030	0.11%	0.87%
81	90	0	0	3	200	2,010	0.11%	0.97%
91	100	0	0	3	200	2,010	0.11%	1.08%
101	200	3	480	6	680	19,980	1.06%	2.14%
201	300	0	0	6	680	19,800	1.05%	3.19%
301	400	5	1,635	11	2,315	19,435	1.03%	4.23%
401	500	2	845	13	3,160	19,145	1.02%	5.25%
501	600	3	1,594	16	4,754	18,894	1.00%	6.25%
601	700	5	3,318	21	8,072	18,618	0.99%	7.24%
701	800	6	4,413	27	12,485	17,913	0.95%	8.19%
801	900	4	3,362	31	15,847	17,462	0.93%	9.12%
901	1,000	3	2,866	34	18,713	17,166	0.91%	10.03%
1,001	2,000	38	57,713	72	76,426	151,713	8.07%	18.10%
2,001	3,000	14	34,004	86	110,430	124,004	6.59%	24.69%
3,001	4,000	9	31,945	95	142,375	113,945	6.06%	30.75%
4,001	5,000	6	27,836	101	170,211	106,836	5.68%	36.43%
5,001	6,000	14	76,073	115	246,284	95,073	5.05%	41.48%
6,001	7,000	8	53,485	123	299,769	86,485	4.60%	46.08%
7,001	8,000	8	61,295	131	361,064	78,295	4.16%	50.24%
8,001	9,000	5	42,794	136	403,858	70,794	3.76%	54.01%
9,001	10,000	4	38,789	140	442,647	66,789	3.55%	57.56%
10,001	999,999,999	64	1,438,370	204	1,881,017	798,370	42.44%	100.00%
Total		264	1,881,017			1,881,017		
Average				132		9,221		
Median Customer kWh Usage						8,559		

GARKANE ENERGY COOPERATIVE, INC.

BILL FREQUENCY ANALYSIS - GENERAL SERVICE NO. 1, PUBLIC BUILDINGS - ARIZONA
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

Usage Block		Bills Ending in Block		Accum Bills Ending in Block		Usage Billed in Block		Accum %
Min Block	Max Block	Bills	Usage	Bills	Usage	Usage	Percent	
1	10	0	0	0	0	1,130	0.20%	0.20%
11	20	2	38	2	38	1,128	0.20%	0.41%
21	30	1	21	3	59	1,101	0.20%	0.60%
31	40	3	112	6	171	1,092	0.20%	0.80%
41	50	1	47	7	218	1,067	0.19%	0.99%
51	60	0	0	7	218	1,060	0.19%	1.18%
61	70	0	0	7	218	1,060	0.19%	1.37%
71	80	2	155	9	373	1,055	0.19%	1.56%
81	90	0	0	9	373	1,040	0.19%	1.75%
91	100	0	0	9	373	1,040	0.19%	1.94%
101	200	8	1,202	17	1,575	10,002	1.80%	3.73%
201	300	2	507	19	2,082	9,507	1.71%	5.44%
301	400	1	323	20	2,405	9,323	1.68%	7.12%
401	500	1	415	21	2,820	9,215	1.66%	8.77%
501	600	4	2,216	25	5,036	9,016	1.62%	10.39%
601	700	3	1,940	28	6,976	8,640	1.55%	11.95%
701	800	7	5,214	35	12,190	8,114	1.46%	13.40%
801	900	2	1,725	37	13,915	7,725	1.39%	14.79%
901	1,000	3	2,857	40	16,772	7,457	1.34%	16.13%
1,001	2,000	25	39,675	65	56,447	62,675	11.26%	27.40%
2,001	3,000	19	47,167	84	103,614	38,167	6.86%	34.25%
3,001	4,000	6	19,983	90	123,597	24,983	4.49%	38.74%
4,001	5,000	3	13,607	93	137,204	21,607	3.88%	42.63%
5,001	6,000	3	17,334	96	154,538	19,334	3.47%	46.10%
6,001	7,000	0	0	96	154,538	17,000	3.06%	49.16%
7,001	8,000	0	0	96	154,538	17,000	3.06%	52.21%
8,001	9,000	0	0	96	154,538	17,000	3.06%	55.27%
9,001	10,000	0	0	96	154,538	17,000	3.06%	58.32%
10,001	999,999,999	17	400,920	113	555,458	231,920	41.68%	100.00%
Total		132	555,458			556,458	100.00%	
Average				66	4,916			
Median Customer kWh Usage					2,482			

GARKANE ENERGY COOPERATIVE, INC.

BILL FREQUENCY ANALYSIS - GENERAL SERVICE NO. 1, PUBLIC BUILDINGS COLORADO CITY - ARIZONA
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

Usage Block		Bills Ending in Block		Accum Bills Ending in Block		Usage Billed in Block		Accum %
Min Block	Max Block	Bills	Usage	Bills	Usage	Usage	Percent	
0	0	17	0	0	0	0	0.00%	0.00%
1	10	15	71	15	2,631	2,631	0.22%	0.22%
11	20	5	74	20	2,534	5,165	0.21%	0.42%
21	30	4	98	24	2,488	7,653	0.20%	0.63%
31	40	4	143	28	386	10,106	0.20%	0.83%
41	50	0	0	28	386	12,536	0.20%	1.03%
51	60	0	0	28	386	14,966	0.20%	1.23%
61	70	0	0	28	386	17,396	0.20%	1.43%
71	80	1	80	29	466	19,826	0.20%	1.63%
81	90	0	0	29	466	22,246	0.20%	1.83%
91	100	0	0	29	466	24,666	0.20%	2.03%
101	200	11	1,288	40	1,754	47,954	1.91%	3.94%
201	300	11	2,637	51	4,391	70,391	1.84%	5.78%
301	400	12	4,234	63	8,625	91,825	1.76%	7.54%
401	500	8	3,495	71	12,120	112,120	1.67%	9.21%
501	600	1	597	72	12,717	132,117	1.64%	10.85%
601	700	1	671	73	13,388	151,988	1.63%	12.49%
701	800	2	1,509	75	14,897	171,697	1.62%	14.11%
801	900	2	1,677	77	16,574	191,174	1.60%	15.71%
901	1,000	0	0	77	16,574	210,574	1.59%	17.30%
1,001	2,000	26	41,389	103	57,963	393,963	15.07%	32.37%
2,001	3,000	29	71,859	132	129,822	546,822	12.56%	44.93%
3,001	4,000	24	84,439	156	214,261	674,261	10.47%	55.40%
4,001	5,000	33	145,258	189	359,519	769,519	7.83%	63.22%
5,001	6,000	25	138,756	214	498,275	840,275	5.81%	69.04%
6,001	7,000	16	103,200	230	601,475	888,475	3.96%	73.00%
7,001	8,000	10	73,769	240	675,244	923,244	2.86%	75.85%
8,001	9,000	4	33,529	244	708,773	951,773	2.34%	78.20%
9,001	10,000	4	37,460	248	746,233	976,233	2.01%	80.21%
10,001	999,999,999	23	470,910	271	1,217,143	1,217,143	19.79%	100.00%
Total		288	1,217,143				100.00%	
Average				144	4,491			
Median Customer kWh Usage					3,518			

GARKANE ENERGY COOPERATIVE, INC.

BILL FREQUENCY ANALYSIS - GENERAL SERVICE NO. 2, PUBLIC BUILDINGS COLORADO CITY - ARIZONA
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

Usage Block		Bills Ending in Block		Accum Bills Ending in Block		Usage Billed in Block		Accum %
Min Block	Max Block	Bills	Usage	Bills	Usage	Usage	Percent	
0	0	23	0	23	0	0	0.00%	0.00%
1	10	0	0	0	0	2,050	0.08%	0.08%
11	20	2	36	2	36	2,046	0.08%	0.16%
21	30	3	66	5	102	2,006	0.08%	0.23%
31	40	0	0	5	102	2,000	0.08%	0.31%
41	50	0	0	5	102	2,000	0.08%	0.38%
51	60	0	0	5	102	2,000	0.08%	0.46%
61	70	0	0	5	102	2,000	0.08%	0.54%
71	80	0	0	5	102	2,000	0.08%	0.61%
81	90	0	0	5	102	2,000	0.08%	0.69%
91	100	0	0	5	102	2,000	0.08%	0.76%
101	200	0	0	5	102	20,000	0.76%	1.52%
201	300	3	760	8	862	19,860	0.75%	2.28%
301	400	3	1,120	11	1,982	19,620	0.75%	3.02%
401	500	2	922	13	2,904	19,322	0.73%	3.76%
501	600	2	1,120	15	4,024	19,120	0.73%	4.48%
601	700	1	625	16	4,649	18,925	0.72%	5.20%
701	800	3	2,214	19	6,863	18,714	0.71%	5.91%
801	900	0	0	19	6,863	18,600	0.71%	6.62%
901	1,000	1	921	20	7,784	18,521	0.70%	7.32%
1,001	2,000	9	13,178	29	20,962	180,178	6.85%	14.17%
2,001	3,000	19	46,144	48	67,106	165,144	6.27%	20.45%
3,001	4,000	13	46,142	61	113,248	151,142	5.74%	26.19%
4,001	5,000	7	33,072	68	146,320	142,072	5.40%	31.59%
5,001	6,000	16	90,811	84	237,131	131,811	5.01%	36.60%
6,001	7,000	25	159,769	109	396,900	105,769	4.02%	40.61%
7,001	8,000	15	111,540	124	508,440	87,540	3.33%	43.94%
8,001	9,000	6	50,148	130	558,588	77,148	2.93%	46.87%
9,001	10,000	9	85,360	139	643,948	70,360	2.67%	49.54%
10,001	999,999,999	66	1,987,916	205	2,631,864	1,327,916	50.46%	100.00%
Total		228	2,631,864			2,631,864	100.00%	
Average				114		12,838		
Median Customer kWh Usage						7,436		

GARKANE ENERGY COOPERATIVE, INC.

BILL FREQUENCY ANALYSIS - IRRIGATION - ARIZONA
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2013

Usage Block		Bills Ending in Block		Accum Bills Ending in Block		Usage Billed in Block		Accum %
Min Block	Max Block	Bills	Usage	Bills	Usage	Usage	Percent	
0	0	60	0	60	0	0	0.00%	0.00%
1	10	12	28	12	28	1,588	0.35%	0.35%
11	20	9	147	21	175	1,527	0.33%	0.68%
21	30	10	246	31	421	1,416	0.31%	0.99%
31	40	5	184	36	605	1,354	0.30%	1.29%
41	50	3	139	39	744	1,309	0.29%	1.57%
51	60	0	0	39	744	1,290	0.28%	1.86%
61	70	2	136	41	880	1,286	0.28%	2.14%
71	80	0	0	41	880	1,270	0.28%	2.42%
81	90	3	251	44	1,131	1,251	0.27%	2.69%
91	100	3	281	47	1,412	1,221	0.27%	2.96%
101	200	17	2,416	64	3,828	11,116	2.43%	5.39%
201	300	10	2,396	74	6,224	9,796	2.14%	7.53%
301	400	7	2,482	81	8,706	9,082	1.99%	9.52%
401	500	2	940	83	9,646	8,640	1.89%	11.41%
501	600	4	2,175	87	11,821	8,275	1.81%	13.22%
601	700	1	645	88	12,466	8,045	1.76%	14.98%
701	800	0	0	88	12,466	8,000	1.75%	16.73%
801	900	4	3,392	92	15,858	7,792	1.71%	18.44%
901	1,000	1	979	93	16,837	7,579	1.66%	20.10%
1,001	2,000	23	34,837	116	51,674	63,837	13.97%	34.07%
2,001	3,000	7	16,808	123	68,482	47,808	10.46%	44.53%
3,001	4,000	13	44,907	136	113,389	37,907	8.30%	52.82%
4,001	5,000	9	39,557	145	152,946	26,557	5.81%	58.63%
5,001	6,000	3	16,302	148	169,248	21,302	4.66%	63.30%
6,001	7,000	4	25,512	152	194,760	17,512	3.83%	67.13%
7,001	8,000	2	15,411	154	210,171	15,411	3.37%	70.50%
8,001	9,000	0	0	154	210,171	14,000	3.06%	73.56%
9,001	10,000	1	9,060	155	219,231	13,060	2.86%	76.42%
10,001	999,999,999	13	237,742	168	456,973	107,742	23.58%	100.00%
Total		228	456,973			456,973	100.00%	
Average				114	2,720			
Median Customer kWh Usage					1,515			

GARKANE ENERGY COOPERATIVE, INC.

ALLOCATION OF MONTHLY DEMAND
SUM OF MEMBER CP

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Utah													
Residential	23,726	19,636	14,101	14,857	8,010	11,669	12,266	9,235	8,054	9,521	13,581	23,707	168,363
Residential - Kanab City	4,317	3,324	2,398	2,515	1,388	2,281	2,654	2,022	1,727	1,592	2,434	4,359	31,011
Residential - Hildale	1,747	1,690	974	1,572	872	2,183	2,133	1,881	1,288	1,155	1,172	1,832	18,499
GS No. 1	4,295	4,231	4,469	4,694	5,009	4,890	5,175	4,946	4,836	5,107	4,782	4,708	57,142
GS No. 1 - Kanab City	2,114	1,950	2,038	2,031	2,005	2,151	2,162	2,052	2,009	2,011	2,000	2,086	24,609
GS No. 1 - Hildale	350	354	328	335	383	406	435	417	386	382	358	375	4,509
GS No. 2	4,691	5,067	4,930	5,025	5,107	4,524	4,345	4,524	4,524	5,232	5,128	5,264	58,361
GS No. 2 - Kanab City	1,318	1,173	1,143	1,096	1,211	1,304	1,394	1,366	1,368	1,218	1,127	1,216	14,934
GS No. 2 - Hildale	810	717	701	703	702	704	831	792	828	750	739	754	9,031
GS No. 3	293	311	340	373	409	377	324	449	361	347	357	323	4,284
GS No. 3 - Kanab City	20	19	19	19	28	39	32	27	26	23	15	16	283
GS No. 3 - Public Bldg-Hildale	133	132	144	118	85	148	158	135	159	159	123	85	1,579
GS No. 2-Public Bldg-Hildale	21	21	21	19	21	25	28	25	24	23	16	19	263
Net Meter - Residential	81	71	43	21	11	8	11	98	105	12	28	71	379
Net Meter - Commercial	118	105	114	86	107	63	106	98	105	109	121	121	1,230
Irrigation	98	82	104	182	138	1,437	1,322	1,286	1,144	683	205	60	7,399
Muni Culinary and Irrig	107	76	67	74	138	96	122	158	1,144	162	109	85	1,346
Extra Large Power Service	2,743	2,775	2,794	2,731	2,704	2,734	2,749	2,767	2,731	2,743	2,723	2,720	32,914
Street & Security Lighting	0	0	0	165	0	0	0	0	0	0	0	0	165
Lighting-Kanab City	0	0	0	34	0	0	0	0	0	0	0	0	34
Total Utah	46,982	41,734	34,728	36,650	28,986	35,039	36,247	32,191	29,743	31,208	35,006	47,801	436,315
Arizona													
Residential Service	2,530	2,217	1,738	1,715	1,004	1,644	2,040	1,465	1,357	1,153	1,548	2,698	21,109
Res - Colorado City	3,118	2,934	1,674	2,728	1,447	3,545	3,336	3,089	2,136	1,922	2,134	3,333	31,396
GS No. 1	479	515	482	464	536	584	635	619	625	621	570	533	6,673
GS No. 1 - Colorado City	454	491	447	524	583	604	673	681	686	615	579	525	6,862
GS No. 2	1,138	1,083	1,032	1,135	1,556	1,297	1,232	1,403	1,444	1,421	1,404	1,234	15,379
GS No. 2 - Colorado City	284	291	258	309	379	303	299	333	332	336	277	442	3,843
GS No. 1 - Public Bldg.	113	120	100	89	80	78	89	114	113	114	116	116	1,288
GS No. 1-Public Bldg. - CC	166	167	170	184	196	209	213	199	198	194	189	199	2,284
GS No. 2-Public Bldg. - CC	404	410	377	406	504	517	502	570	610	547	417	414	5,678
Irrigation	44	34	35	116	130	125	121	131	115	105	61	59	1,076
Street and Security Lights	0	0	0	17	0	0	0	0	0	0	0	0	17
Total Arizona	8,730	8,262	6,323	7,687	6,415	8,906	9,140	8,604	7,616	7,028	7,295	9,599	95,605
Total System	55,712	49,996	41,051	44,337	35,401	43,945	45,387	40,795	37,359	38,236	42,301	57,400	531,920
Total System MCP kW	55,712	49,996	41,052	44,335	35,401	43,946	45,387	40,794	37,360	38,236	42,301	57,399	531,919
Total Assigned kW	20,193	20,124	20,123	20,929	22,669	22,615	22,786	23,092	22,786	22,881	21,404	21,400	261,163
Unallocated kW	35,519	29,872	20,929	23,406	12,732	21,331	22,440	17,702	15,574	15,355	20,897	35,999	270,756
NCP kW	56,238	50,617	41,703	44,971	35,805	44,185	45,636	40,955	37,574	38,680	42,560	58,020	536,944
MCP:NCP kW	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Load Factor													
Residential	60.51%	68.78%	71.23%	53.90%	88.44%	51.32%	57.04%	70.32%	75.82%	66.43%	61.75%	49.39%	
Commercial	60.51%	68.78%	71.23%	53.90%	88.44%	51.32%	57.04%	70.32%	75.82%	66.43%	61.75%	49.39%	

GARKANE ENERGY COOPERATIVE, INC.

ALLOCATION OF MONTHLY DEMAND
SUM OF MEMBER CP

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Utah													
Residential	10,480,310	9,858,492	7,332,262	5,845,658	5,171,590	4,371,782	5,107,225	4,740,516	4,457,661	4,616,820	6,121,634	8,547,206	76,651,156
Residential - Kanab City	1,906,875	1,668,987	1,246,935	989,584	896,394	854,687	1,105,011	1,037,687	956,085	772,220	1,097,192	1,571,625	14,103,282
Residential - Hildale	771,886	848,508	506,362	618,433	562,981	817,986	888,300	965,443	712,822	559,873	528,344	660,521	8,441,459
Net Meter - Residential	35,735	35,753	22,484	8,103	7,006	3,113	4,696	5,458	6,320	5,734	12,556	25,463	172,421
Arizona													
Residential Service	1,117,427	1,113,145	903,939	674,679	647,962	615,758	849,457	751,934	751,304	559,281	697,799	972,765	9,655,350
Res - Colorado City	1,377,165	1,472,992	870,649	1,073,208	934,120	1,328,283	1,388,944	1,585,524	1,182,412	932,081	961,776	1,201,584	14,308,738
Total	15,689,398	14,997,877	10,882,531	9,209,665	8,220,053	7,991,609	9,343,633	9,086,562	8,066,604	7,446,009	9,419,301	12,979,164	123,332,406
	kWh Sold												
	Allocated kW												
Residential	23,726	19,636	14,101	14,857	8,010	11,669	12,266	9,235	8,054	9,521	13,581	23,707	168,363
Residential - Kanab City	4,317	3,324	2,398	2,515	1,388	2,281	2,654	2,022	1,727	1,592	2,434	4,359	31,011
Residential - Hildale	1,747	1,690	974	1,572	872	2,183	2,133	1,881	1,288	1,155	1,172	1,832	18,499
Net Meter - Residential	81	71	43	21	11	8	11	11	11	12	28	71	379
Residential Service	2,530	2,217	1,738	1,715	1,004	1,644	2,040	1,465	1,357	1,153	1,548	2,698	21,109
Res - Colorado City	3,118	2,934	1,674	2,728	1,447	3,545	3,336	3,089	2,136	1,922	2,134	3,333	31,386
Total	35,519	29,872	20,928	23,408	12,732	21,330	22,440	17,703	14,573	15,355	20,897	36,000	270,757

GARKANE ENERGY COOPERATIVE, INC.

CLASS LOAD FACTOR
SUM OF MEMBER CP

	kWh Sold	% Line Losses	kWh Purchased	Annual Load Factor		Average Load Factor		
				Allocated Max. kW	Load Factor	Allocated Total kW	kWh Per kW	Load Factor
Utah								
Residential	76,651,156	9.446048%	84,646,947	23,726	40.73%	168,363	502.76	68.87%
Residential - Kanab City	14,103,282	9.446048%	15,574,452	4,359	40.79%	31,011	502.22	68.80%
Residential - Hildale	8,441,459	9.446048%	9,322,022	2,163	48.75%	18,499	503.92	69.03%
GS No. 1	22,664,835	9.446048%	25,029,095	5,175	55.21%	57,142	438.02	60.00%
GS No. 1 - Kanab City	9,900,902	9.446048%	10,933,705	2,162	57.73%	24,609	444.30	60.86%
GS No. 1 - Hildale	1,871,920	9.446048%	2,067,188	435	54.25%	4,509	458.46	62.80%
GS No. 2	27,865,952	9.446048%	30,772,762	5,264	66.73%	58,361	527.28	72.23%
GS No. 2 - Kanab City	7,782,300	9.446048%	8,594,103	1,394	70.38%	14,934	575.47	78.83%
GS No. 2 - Hildale	4,513,476	9.446048%	4,984,295	831	68.47%	9,031	551.91	75.60%
GS No. 3	1,660,162	9.446048%	1,833,340	449	46.61%	4,264	429.96	58.90%
GS No. 3 - Kanab City	107,534	9.446048%	118,751	39	34.76%	283	419.61	57.48%
GS No. 1-Public Bldg-Hildale	759,021	9.446048%	838,198	159	60.18%	1,579	530.84	72.72%
GS No. 2-Public Bldg-Hildale	114,993	9.446048%	126,988	28	51.77%	263	482.84	66.14%
Net Meter - Residential	172,421	9.446048%	190,407	81	26.83%	379	502.39	68.82%
Net Meter - Commercial	476,473	9.446048%	526,176	121	49.64%	1,230	427.79	58.60%
Irrigation	3,930,549	9.446048%	4,340,560	1,437	34.48%	7,399	586.64	80.36%
Muni Culinary and Irrig	249,526	9.446048%	275,555	162	19.42%	1,346	204.72	28.04%
Extra Large Power Service	22,082,000	0.000000%	22,082,000	2,794	90.22%	32,914	670.90	91.90%
Street & Security Lighting	578,640	9.446048%	639,000	165	44.21%	165	3,872.73	530.51%
Lighting-Kanab City	118,480	9.446048%	130,839	34	43.93%	34	3,848.21	527.15%
Total Utah	204,045,081	8.510788%	223,026,383	47,801	53.26%	436,315	511.16	70.02%
Arizona								
Residential Service	9,655,350	9.446048%	10,662,539	2,698	45.11%	21,109	505.12	69.19%
Res - Colorado City	14,308,738	9.446048%	15,801,340	3,545	50.88%	31,396	503.29	68.94%
GS No. 1	2,840,638	9.446048%	3,136,956	635	56.39%	6,673	470.10	64.40%
GS No. 1 - Colorado City	2,985,849	9.446048%	3,297,315	686	54.87%	6,862	480.52	65.82%
GS No. 2	7,774,755	9.446048%	8,585,771	1,556	62.99%	15,379	558.28	76.48%
GS No. 2 - Colorado City	1,881,017	9.446048%	2,077,233	442	53.65%	3,843	540.52	74.04%
GS No. 1 - Public Bldg.	537,498	9.446048%	593,567	162	41.83%	1,288	460.84	63.13%
GS No. 1-Public Bldg. - CC	1,217,143	9.446048%	1,344,108	213	72.04%	2,284	588.49	80.61%
GS No. 2-Public Bldg. - CC	2,631,864	9.446048%	2,906,404	610	54.39%	5,678	511.87	70.12%
Irrigation	456,973	9.446048%	504,642	131	43.98%	1,076	469.00	64.25%
Street and Security Lights	58,560	9.446048%	64,669	17	43.43%	17	3,804.06	521.10%
Total Arizona	44,348,385	9.446048%	48,974,544	9,599	58.24%	95,605	512.26	70.17%
Total System	248,393,466	8.679184%	272,000,927	57,400	54.09%	531,920	511.36	70.05%

GARKANE ENERGY COOPERATIVE, INC.

MONTHLY CLASS DEMAND ALLOCATION
SUM OF MEMBER CP

Hours	January	February	March	April	May	June	July	August	September	October	November	December	Total
GS No. 1	744	672	744	720	744	720	744	744	720	744	720	744	8,760
kWh	1,947,126	2,020,232	1,587,556	1,673,337	1,895,365	1,849,672	2,290,678	2,030,026	1,904,584	1,806,755	1,816,409	1,843,095	22,664,835
Metered kW	7,778.00	7,663.00	8,094.00	8,501.00	9,072.00	8,856.00	9,372.00	8,958.00	8,759.00	9,250.00	8,661.00	8,526.00	103,490.00
Load Factor	33.65%	39.23%	26.36%	27.34%	29.01%	29.01%	32.85%	30.46%	30.20%	26.25%	28.13%	29.06%	30.13%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	4,285	4,231	4,469	4,694	5,009	4,890	5,175	4,946	4,836	5,107	4,782	4,708	57,142
GS No. 1 - Kanab City													
kWh	905,113	831,829	702,611	705,337	794,059	857,016	942,560	990,396	900,151	690,272	763,823	817,735	9,900,902
Metered kW	3,828.00	3,532.00	3,691.00	3,679.00	3,631.00	3,896.00	3,916.00	3,716.00	3,639.00	3,642.00	3,622.00	3,778.00	44,570.00
Load Factor	31.78%	35.05%	25.59%	26.63%	29.39%	30.55%	32.35%	35.82%	34.36%	25.47%	28.29%	29.09%	30.45%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	2,114	1,950	2,038	2,031	2,005	2,151	2,162	2,052	2,009	2,011	2,000	2,086	24,609
GS No. 1 - Hildale													
kWh	144,236	171,560	99,878	134,881	130,725	180,530	189,973	225,733	163,582	152,082	132,070	146,660	1,871,920
Metered kW	577.00	583.00	540.00	552.00	631.00	669.00	716.00	686.00	635.00	629.00	590.00	617.00	7,426.00
Load Factor	33.60%	43.79%	24.86%	33.94%	27.85%	37.48%	35.66%	44.23%	35.72%	32.50%	31.09%	31.95%	34.39%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	350	354	328	335	363	406	435	417	386	382	358	375	4,509
GS No. 2													
kWh	2,386,358	2,654,185	2,261,970	2,164,514	2,476,236	2,175,682	2,215,484	2,186,779	2,222,033	2,253,591	2,263,439	2,605,581	27,865,952
Metered kW	7,080.00	7,648.00	7,440.00	7,584.00	7,707.00	6,828.00	6,557.00	6,828.00	6,828.00	7,896.00	7,740.00	7,944.00	88,060.00
Load Factor	45.30%	51.84%	40.86%	39.64%	43.19%	44.26%	45.41%	43.05%	45.20%	38.36%	40.62%	44.09%	43.47%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	4,691	5,067	4,930	5,025	5,107	4,524	4,345	4,524	4,524	5,232	5,128	5,264	58,361
GS No. 2 - Kanab City													
kWh	654,460	614,260	548,920	597,420	687,320	657,600	707,380	763,880	754,720	559,700	652,600	584,040	7,782,300
Metered kW	1,705.00	1,518.00	1,478.00	1,418.00	1,566.00	1,687.00	1,803.00	1,767.00	1,770.00	1,576.00	1,458.00	1,573.00	19,319.00
Load Factor	51.59%	60.22%	49.92%	58.52%	58.99%	54.14%	52.73%	58.11%	59.22%	47.73%	62.17%	49.90%	55.27%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	1,318	1,173	1,143	1,096	1,211	1,304	1,394	1,366	1,368	1,218	1,127	1,216	14,934

GARKANE ENERGY COOPERATIVE, INC.

MONTHLY CLASS DEMAND ALLOCATION
SUM OF MEMBER CP

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Hours	744	672	744	720	744	720	744	744	720	744	720	744	8,760
GS No. 2 - Hildale													
kWh	356,234	412,936	260,307	368,229	376,457	352,959	442,770	464,491	403,747	354,256	341,530	379,560	4,513,476
Metered kW	1,222.00	1,082.00	1,058.00	1,061.00	1,060.00	1,063.00	1,254.00	1,196.00	1,250.00	1,132.00	1,115.00	1,138.00	13,631.00
Load Factor	39.18%	56.79%	33.07%	48.20%	47.73%	46.12%	47.46%	52.20%	44.86%	42.06%	42.54%	44.83%	45.42%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	810	717	701	703	702	704	831	792	828	750	739	754	9,031
GS No. 3													
kWh	157,243	162,292	129,821	119,785	137,574	141,145	141,565	161,032	141,012	115,868	109,326	143,499	1,660,162
Metered kW	483.00	512.00	569.00	614.00	673.00	620.00	534.00	740.00	595.00	572.00	588.00	531.00	7,021.00
Load Factor	43.76%	47.17%	31.21%	27.10%	27.48%	31.62%	35.63%	29.25%	32.92%	27.23%	25.82%	36.32%	32.96%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	293	311	340	373	409	377	324	448	361	347	357	323	4,264
GS No. 3 - Kanab City													
kWh	10,002	9,209	8,485	8,461	9,873	10,050	10,969	11,044	10,006	5,503	7,705	6,227	107,534
Metered kW	30.00	29.00	28.00	29.00	42.00	59.00	48.00	41.00	39.00	35.00	22.00	24.00	426.00
Load Factor	44.81%	47.25%	40.73%	40.52%	31.60%	23.66%	30.72%	36.21%	35.63%	21.13%	48.64%	34.87%	36.31%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	20	19	19	19	28	39	32	27	26	23	15	16	283
GS No. 1 - Public Bldg-Hildale													
kWh	83,875	91,116	47,478	51,260	43,690	96,301	79,475	52,485	53,736	71,097	46,064	42,444	759,021
Metered kW	185.00	184.00	201.00	164.00	119.00	206.00	220.00	188.00	222.00	221.00	171.00	118.00	2,199.00
Load Factor	60.94%	73.69%	31.75%	43.41%	49.35%	64.93%	48.56%	37.52%	33.62%	43.24%	37.41%	48.35%	47.73%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	133	132	144	118	85	148	158	135	159	159	123	85	1,579
GS No. 2 - Public Bldg-Hildale													
kWh	9,223	11,229	7,284	8,724	7,723	11,625	11,939	12,782	9,925	8,982	7,723	7,834	114,993
Metered kW	32.00	31.00	32.00	29.00	32.00	37.00	42.00	37.00	36.00	36.00	24.00	28.00	395.00
Load Factor	38.74%	53.90%	30.59%	41.78%	32.44%	43.64%	38.21%	46.43%	38.29%	34.49%	44.69%	37.61%	40.07%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	21	21	21	19	21	25	28	25	24	23	16	19	263

GARKANE ENERGY COOPERATIVE, INC.

MONTHLY CLASS DEMAND ALLOCATION
SUM OF MEMBER CP

Hours	January	February	March	April	May	June	July	August	September	October	November	December	Total
Net Meter - Commercial	744	672	744	720	744	720	744	744	720	744	720	744	8,760
Metered kW	45,282	40,249	33,547	34,182	43,005	17,278	60,263	44,241	47,333	29,929	39,056	42,108	476,473
Load Factor	213.00	189.90	206.00	156.00	194.00	115.00	192.00	178.00	191.00	178.00	198.00	220.00	2,230.90
Losses	28.57%	31.54%	21.89%	30.43%	29.80%	20.87%	42.19%	33.41%	34.42%	22.60%	27.40%	25.73%	29.07%
Coincidence Factor	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
MCP:NCP Ratio	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Allocated kW	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Irrigation	118	105	114	86	107	63	106	98	105	98	109	121	1,230
Metered kW	11,292	10,521	12,084	60,786	315,177	968,241	1,034,861	679,286	516,900	193,439	94,238	33,724	3,930,549
Load Factor	178.00	149.00	189.00	329.00	1,442.00	2,603.00	2,395.00	2,329.00	2,072.00	1,237.00	371.00	109.00	13,403.00
Losses	8.53%	10.51%	8.59%	25.66%	29.38%	51.66%	58.08%	39.20%	34.65%	21.02%	35.28%	41.59%	30.34%
Coincidence Factor	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
MCP:NCP Ratio	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Allocated kW	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Muni Culinary and Irrig - Off-Peak	98	82	104	182	796	1,437	1,322	1,286	1,144	683	205	60	7,399
Metered kW	6,710	7,543	5,537	6,665	13,056	17,117	19,216	16,305	16,082	10,286	8,739	5,961	133,217
Load Factor	193.00	137.00	122.00	134.00	250.00	174.00	221.00	286.00	294.00	276.00	187.00	154.00	2,438.00
Losses	4.67%	8.19%	6.10%	6.91%	7.02%	13.66%	11.69%	7.66%	7.60%	5.01%	6.16%	5.20%	7.49%
Coincidence Factor	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
MCP:NCP Ratio	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Allocated kW	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Extra Large Power Service	107	76	67	74	138	96	122	158	162	152	109	85	1,346
Metered kW	1,948,000	1,596,000	1,667,000	2,079,000	1,833,000	1,788,000	2,097,000	1,792,000	1,614,000	2,160,000	1,472,000	2,036,000	22,082,000
Load Factor	2,743.00	2,775.00	2,794.00	2,731.00	2,704.00	2,734.00	2,748.00	2,767.00	2,731.00	2,743.00	2,723.00	2,720.00	32,914.00
Losses	95.45%	85.59%	80.19%	105.73%	91.11%	90.83%	102.53%	87.05%	82.08%	105.84%	75.08%	100.61%	91.84%
Coincidence Factor	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Street & Security Lighting	2,743	2,775	2,794	2,731	2,704	2,734	2,749	2,767	2,731	2,743	2,723	2,720	32,914
Metered kW	48,200	48,240	48,360	48,320	48,360	48,040	49,320	47,960	48,160	48,160	48,000	47,520	578,640
Load Factor	143.97	159.52	144.44	149.14	144.44	148.27	147.31	143.25	148.64	143.85	148.15	141.94	1,762.92
Losses	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%
Coincidence Factor	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
MCP:NCP Ratio	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Allocated kW	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	0	0	0	165	0	0	0	0	0	0	0	0	165

GARKANE ENERGY COOPERATIVE, INC.

MONTHLY CLASS DEMAND ALLOCATION
SUM OF MEMBER CP

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Hours	744	672	744	720	744	720	744	744	720	744	720	744	8,760
<u>Lighting-Kanab City</u>													
kWh	9,980	9,980	9,980	9,980	9,980	9,980	9,980	9,980	9,980	9,660	9,660	9,660	118,480
Metered kW	29.81	33.00	29.81	30.80	29.81	30.80	29.81	29.81	29.81	28.85	28.85	28.85	360.97
Load Factor	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	8.53%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	0	0	0	34	0	0	0	0	0	0	0	0	34
<u>GS No. 1-Arizona</u>													
kWh	233,475	232,694	195,030	180,315	240,428	251,585	298,951	282,138	253,846	230,379	232,478	209,319	2,840,638
Metered kW	788.00	848.00	810.00	764.00	882.00	962.00	1,045.00	1,019.00	1,029.00	1,022.00	938.00	877.00	10,984.00
Load Factor	39.82%	40.83%	32.36%	32.78%	36.64%	36.32%	38.45%	37.21%	34.26%	30.30%	34.42%	32.08%	35.46%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	479	515	492	464	536	584	635	619	625	621	570	533	6,673
<u>GS No. 1 - Colorado City-Arizona</u>													
kWh	206,041	217,505	137,310	184,122	286,294	306,947	385,930	426,132	254,939	218,376	188,763	193,490	2,985,849
Metered kW	748.00	808.00	736.00	862.00	960.00	995.00	1,108.00	1,122.00	1,130.00	1,012.00	953.00	865.00	11,299.00
Load Factor	37.02%	40.06%	25.08%	29.67%	37.28%	42.85%	46.82%	51.05%	31.33%	29.00%	27.51%	30.07%	35.64%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	454	491	447	524	583	604	673	681	686	615	579	525	6,862
<u>GS No. 2-Arizona</u>													
kWh	433,630	623,140	465,145	592,460	695,410	649,455	721,020	713,230	753,340	812,395	679,110	636,420	7,774,755
Metered kW	1,718.00	1,635.00	1,558.00	1,713.00	2,349.00	1,958.00	1,860.00	2,118.00	2,179.00	2,144.00	2,119.00	1,863.00	23,214.00
Load Factor	33.93%	56.72%	40.13%	48.04%	39.79%	46.07%	52.10%	45.26%	48.02%	50.93%	44.51%	45.92%	45.95%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	1,138	1,083	1,032	1,135	1,556	1,297	1,232	1,403	1,444	1,421	1,404	1,234	15,379
<u>GS No. 2 - Colorado City-Arizona</u>													
kWh	126,145	158,494	89,813	152,697	168,115	177,251	169,825	201,369	170,416	143,841	136,921	186,130	1,881,017
Metered kW	396.00	406.00	360.00	431.00	528.00	422.00	417.00	464.00	462.00	468.00	468.00	616.00	5,356.00
Load Factor	42.82%	58.09%	33.53%	49.21%	42.80%	58.34%	54.74%	58.33%	51.23%	41.31%	48.27%	40.61%	48.36%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	284	281	258	309	379	303	299	333	332	336	277	442	3,843

GARKANE ENERGY COOPERATIVE, INC.

MONTHLY CLASS DEMAND ALLOCATION
SUM OF MEMBER CP

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Hours	744	672	744	720	744	720	744	744	720	744	720	744	8,760
GS No. 1 - Public Bldg. - Arizona													
kWh	57,866	63,269	46,740	27,446	31,338	21,948	28,021	26,341	41,187	48,973	64,807	79,562	537,498
Metered kW	204.00	217.00	181.00	161.00	144.00	142.00	161.00	206.00	204.00	206.00	210.00	293.00	2,329.00
Load Factor	38.13%	43.39%	34.71%	23.68%	29.25%	21.47%	23.39%	17.19%	28.04%	31.95%	42.86%	36.50%	30.88%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	113	120	100	89	80	78	89	114	113	114	116	162	1,288
GS No. 1 - Public Bldg. - CC-Arizona													
kWh	91,841	107,574	64,728	114,606	95,770	129,241	113,204	130,224	93,831	96,788	95,228	84,108	1,217,143
Metered kW	250.00	252.00	256.00	278.00	296.00	316.00	321.00	300.00	298.00	293.00	285.00	300.00	3,446.00
Load Factor	49.38%	63.52%	33.98%	57.26%	43.49%	56.80%	47.40%	58.34%	43.59%	44.40%	46.41%	37.68%	48.52%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	166	167	170	184	196	209	213	199	198	194	189	199	2,284
GS No. 2 - Public Bldg. - CC-Arizona													
kWh	176,884	214,481	127,784	193,729	241,609	298,646	250,790	323,846	228,515	234,608	164,263	176,709	2,631,864
Metered kW	609.00	619.00	569.00	612.00	760.00	781.00	758.00	861.00	921.00	826.00	629.00	625.00	8,570.00
Load Factor	39.04%	51.66%	30.19%	43.97%	42.73%	53.11%	44.47%	50.55%	34.46%	38.18%	36.27%	38.00%	41.88%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	404	410	377	406	504	517	502	570	610	547	417	414	5,678
Irrigation-Arizona													
kWh	6,393	6,180	5,574	40,307	87,622	69,834	86,282	37,307	43,090	40,281	26,991	7,112	456,973
Metered kW	79.00	62.00	64.00	210.00	235.00	226.00	219.00	238.00	208.00	190.00	110.00	107.00	1,948.00
Load Factor	10.88%	14.83%	11.71%	26.66%	50.12%	42.92%	52.95%	21.07%	28.77%	28.50%	34.08%	8.93%	27.62%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.02%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	44	34	35	116	130	125	121	131	115	105	61	59	1,076
Street and Security Lights-Arizona													
kWh	4,860	4,820	4,860	4,940	4,900	4,900	4,900	4,900	4,900	4,900	4,860	4,820	58,560
Calculated Metered kW	14.52	15.94	14.52	15.25	14.64	15.12	14.64	14.64	15.12	14.54	15.00	14.40	178.43
Load Factor	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	8.63%
MCP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	0	0	0	17	0	0	0	0	0	0	0	0	17

GARKANE ENERGY COOPERATIVE, INC.

ALLOCATION OF MONTHLY DEMAND
SUM OF G&T CP

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Utah													
Residential	23,751	19,663	14,122	10,031	7,278	11,625	12,167	9,114	8,076	9,467	12,350	23,722	161,366
Residential - Kanab City	4,321	3,329	2,402	1,698	1,261	2,273	2,633	1,995	1,732	1,583	2,214	4,362	29,803
Residential - Hildale	1,749	1,892	975	1,061	792	2,175	2,116	1,856	1,732	1,148	1,866	1,833	17,754
GS No. 1	4,295	4,231	4,469	3,166	4,539	4,875	5,130	4,873	4,836	5,068	4,873	4,708	54,540
GS No. 1 - Kanab City	2,114	1,950	2,038	1,370	1,917	2,144	2,143	2,021	2,009	1,995	1,819	2,086	23,506
GS No. 1 - Hildale	350	354	328	226	347	405	431	410	386	379	326	375	4,317
GS No. 2	4,691	5,067	4,930	3,389	4,828	4,510	4,307	4,457	4,524	5,192	4,865	5,264	55,624
GS No. 2 - Kanab City	1,318	1,173	1,143	739	1,097	1,300	1,382	1,346	1,368	1,209	1,025	1,216	14,316
GS No. 2 - Hildale	810	717	701	474	636	702	824	781	828	744	672	754	8,643
GS No. 3	293	311	340	252	370	375	322	443	361	345	325	323	4,060
GS No. 3 - Kanab City	20	19	19	13	25	39	32	27	26	23	13	16	272
GS No. 3 - Public Bldg-Hildale	133	132	144	79	77	147	157	133	159	157	112	85	1,515
GS No. 2-Public Bldg-Hildale	21	21	21	13	19	24	28	24	24	23	14	19	251
Net Meter - Residential	81	71	43	14	10	8	11	10	11	12	25	71	367
Net Meter - Commercial	118	105	114	123	97	63	105	97	105	98	99	121	1,180
Irrigation	98	82	104	34	722	1,433	1,311	1,267	1,144	678	186	60	7,208
Muni Culinary and Irig	70	34	36	111	99	110	103	122	121	119	105	62	1,015
Street & Security Lighting	2,743	2,775	2,784	1,842	2,450	2,725	2,725	2,726	2,731	2,722	2,477	2,720	31,430
Lighting-Kanab City	0	0	0	111	0	0	0	0	0	0	0	0	111
Total Utah	46,976	41,726	34,723	24,716	26,264	34,933	35,927	31,702	29,732	30,962	31,843	47,797	417,301
Arizona													
Residential Service	2,532	2,220	1,741	1,158	912	1,637	2,024	1,446	1,361	1,147	1,408	2,700	20,286
Res - Colorado City	3,121	2,938	1,677	1,842	1,315	3,532	3,309	3,048	2,142	1,911	1,940	3,335	30,110
GS No. 1	479	515	492	313	485	582	629	610	625	616	518	533	6,397
GS No. 1 - Colorado City	454	491	447	353	528	602	667	671	686	610	526	525	6,560
GS No. 2	1,138	1,083	1,032	765	1,410	1,293	1,222	1,382	1,444	1,410	1,277	1,234	14,690
GS No. 2 - Colorado City	284	291	258	209	343	302	297	328	332	333	252	442	3,671
GS No. 1 - Public Bldg.	113	120	100	60	72	78	88	112	113	113	105	162	1,236
GS No. 1-Public Bldg. - CC	166	167	170	124	178	209	211	196	198	193	172	199	2,183
GS No. 2-Public Bldg. - CC	404	410	377	273	456	516	498	562	610	543	379	414	5,442
Irrigation	44	34	35	78	118	124	120	129	115	104	55	59	1,015
Street and Security Lights	0	0	0	11	0	0	0	0	0	0	0	0	11
Total Arizona	8,735	8,269	6,329	5,186	5,817	8,875	9,065	8,484	7,626	6,980	6,632	9,603	91,601
Total System	55,712	49,996	41,052	29,901	32,081	43,809	44,992	40,186	37,360	37,942	38,475	57,399	508,902
Total System MCP KW	55,712	49,996	41,052	29,901	32,081	43,809	44,992	40,186	37,360	37,942	38,475	57,399	508,905
Total Assigned KW	20,156	20,082	20,092	14,098	20,513	22,558	22,732	22,745	22,745	22,674	19,472	21,377	249,216
Unallocated KW	35,556	29,914	20,960	15,803	11,568	21,251	22,260	17,469	14,615	15,268	19,003	36,022	259,689
MCP KW	55,712	49,996	41,052	44,335	35,401	43,946	45,387	40,794	37,360	38,236	42,301	57,399	531,919
CP-MCP KW	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	98.13%	98.51%	100.00%	99.23%	90.96%	100.00%	95.67%
Load Factor													
Residential	60.45%	68.68%	71.12%	79.83%	97.34%	51.51%	57.50%	71.25%	75.61%	66.81%	67.90%	49.36%	
Commercial	60.45%	68.68%	71.12%	79.83%	97.34%	51.51%	57.50%	71.25%	75.61%	66.81%	67.90%	49.36%	

GARKANE ENERGY COOPERATIVE, INC.
ALLOCATION OF MONTHLY DEMAND
SUM OF G & T CP

	January	February	March	April	May	June kWh Sold	July	August	September	October	November	December	Total
Utah													
Residential	10,480,310	9,858,492	7,332,262	5,845,658	5,171,590	4,371,782	5,107,225	4,740,516	4,457,661	4,616,820	6,121,634	8,547,206	76,651,156
Residential - Kanab City	1,906,875	1,668,987	1,246,935	989,584	896,394	854,687	1,105,011	1,037,687	956,085	772,220	1,097,192	1,571,625	14,103,282
Residential - Hildale	771,886	848,508	506,362	618,433	562,981	817,986	888,300	965,443	712,822	559,873	528,344	660,521	8,441,459
Net Meter - Residential	35,735	35,753	22,484	8,103	7,006	3,113	4,896	5,458	6,320	5,734	12,556	25,463	172,421
Arizona													
Residential Service	1,117,427	1,113,145	903,839	674,679	647,862	615,758	849,457	751,934	751,304	559,281	697,799	972,765	9,655,350
Residential Service - Colorado C	1,377,165	1,472,992	870,649	1,073,208	934,120	1,328,283	1,388,944	1,585,524	1,182,412	932,081	961,776	1,201,584	14,308,738
Total	15,689,398	14,997,877	10,882,531	9,209,665	8,220,053	7,991,609	9,343,633	9,086,562	8,066,604	7,446,009	9,419,301	12,979,164	123,332,406
Allocated kW													
Residential	23,751	19,663	14,122	10,031	7,278	11,625	12,167	9,114	8,076	9,467	12,350	23,722	161,366
Residential - Kanab City	4,321	3,329	2,402	1,686	1,261	2,273	2,633	1,995	1,732	1,583	2,214	4,362	29,803
Residential - Hildale	1,749	1,692	975	1,061	792	2,175	2,116	1,856	1,291	1,148	1,066	1,833	17,754
Net Meter - Residential	81	71	43	14	10	8	11	10	11	12	25	71	367
Residential Service	2,532	2,220	1,741	1,158	912	1,637	2,024	1,446	1,361	1,147	1,408	2,700	20,286
Residential Service - Colorado C	3,121	2,938	1,677	1,842	1,315	3,532	3,309	3,048	2,142	1,911	1,940	3,335	30,110
Total	35,555	29,913	20,960	15,804	11,568	21,250	22,260	17,469	14,613	15,268	19,003	36,023	259,686

GARKANE ENERGY COOPERATIVE, INC.

CLASS LOAD FACTOR
SUM OF G&T CP

	kWh Sold	% Line Losses	kWh Purchased	Annual Load Factor		Average Load Factor		Load Factor
				Allocated Max. kW	Load Factor	Allocated Total kW	kWh Per kW	
Utah								
Residential	76,651,156	9.446048%	84,646,947	23,751	40.68%	161,366	524.56	71.86%
Residential - Kanab City	14,103,282	9.446048%	15,574,452	4,362	40.76%	29,803	522.58	71.59%
Residential - Hildale	8,441,459	9.446048%	9,322,022	2,175	48.93%	17,754	525.07	71.93%
GS No. 1	22,664,835	9.446048%	25,029,095	5,130	55.70%	54,540	458.91	62.86%
GS No. 1 - Kanab City	9,900,902	9.446048%	10,933,705	2,144	58.22%	23,506	465.15	63.72%
GS No. 1 - Hildale	1,871,920	9.446048%	2,067,188	431	54.75%	4,317	478.85	65.60%
GS No. 2	27,865,952	9.446048%	30,772,762	5,264	66.73%	55,624	553.23	75.78%
GS No. 2 - Kanab City	7,782,300	9.446048%	8,594,103	1,382	70.99%	14,316	600.31	82.23%
GS No. 2 - Hildale	4,513,476	9.446048%	4,984,295	828	68.72%	8,643	576.69	79.00%
GS No. 3	1,660,162	9.446048%	1,833,340	443	47.24%	4,060	451.56	61.86%
GS No. 3 - Kanab City	107,534	9.446048%	118,751	39	34.76%	272	436.58	59.81%
GS No. 1-Public Bldg-Hildale	759,021	9.446048%	838,198	159	60.18%	1,515	553.27	75.79%
GS No. 2-Public Bldg-Hildale	114,993	9.446048%	126,988	28	51.77%	251	505.93	69.31%
Net Meter - Residential	172,421	9.446048%	190,407	81	26.83%	367	518.82	71.07%
Net Meter - Commercial	476,473	9.446048%	526,176	121	49.64%	1,180	445.91	61.08%
Irrigation	3,930,549	9.446048%	4,340,560	1,433	34.58%	7,208	602.19	82.49%
Muni Culinary and Irrig	249,526	9.446048%	275,555	122	25.78%	1,015	271.48	37.19%
Extra Large Power Service	22,082,000	0.000000%	22,082,000	2,794	90.22%	31,430	702.58	96.24%
Street & Security Lighting	578,640	9.446048%	639,000	111	65.72%	111	5,756.76	788.60%
Lighting-Kanab City	118,480	9.446048%	130,839	23	64.94%	23	5,688.65	779.27%
Total Utah	204,045,081	8.510788%	223,026,383	47,797	53.27%	417,301	534.45	73.21%
			200,944,383	45,003		385,871	520.76	71.34%
Arizona								
Residential Service	9,655,350	9.446048%	10,662,539	2,700	45.08%	20,286	525.61	72.00%
Res - Colorado City	14,308,738	9.446048%	15,801,340	3,532	51.07%	30,110	524.79	71.89%
GS No. 1	2,840,638	9.446048%	3,136,956	629	56.93%	6,397	490.38	67.18%
GS No. 1 - Colorado City	2,985,849	9.446048%	3,297,315	686	54.87%	6,560	502.64	68.85%
GS No. 2	7,774,755	9.446048%	8,585,771	1,444	67.87%	14,690	584.46	80.06%
GS No. 2 - Colorado City	1,881,017	9.446048%	2,077,233	442	53.65%	3,671	565.85	77.51%
GS No. 1 - Public Bldg.	537,498	9.446048%	593,567	162	41.83%	1,236	480.23	65.79%
GS No. 1-Public Bldg. - CC	1,217,143	9.446048%	1,344,108	211	72.72%	2,183	615.72	84.34%
GS No. 2-Public Bldg. - CC	2,631,864	9.446048%	2,906,404	610	54.39%	5,442	534.07	73.16%
Irrigation	456,973	9.446048%	504,642	129	44.66%	1,015	497.18	68.11%
Street and Security Lights	58,560	9.446048%	64,669	11	67.11%	11	5,879.00	805.34%
Total Arizona	44,348,385	9.446048%	48,974,544	9,603	58.22%	91,601	534.65	73.24%
Total System	248,393,466	8.679184%	272,000,927	57,400	54.09%	508,902	534.49	73.22%

Supporting Schedule:

E-7.2, I-1.0

Schedule I-2.1

GARKANE ENERGY COOPERATIVE, INC.

**MONTHLY CLASS DEMAND ALLOCATION
SUM OF G&T CP**

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>Total</u>
Hours	744	672	744	720	744	720	744	744	720	744	720	744	8,760
GS No. 1													
kWh	1,947,126	2,020,232	1,587,556	1,673,337	1,885,365	1,849,672	2,290,678	2,030,026	1,904,584	1,806,755	1,816,409	1,843,095	22,664,835
Metered kW	7,778.00	7,663.00	8,094.00	8,501.00	9,072.00	8,856.00	9,372.00	8,956.00	8,759.00	9,250.00	8,661.00	8,526.00	103,490.00
Load Factor	33.65%	39.23%	26.35%	27.34%	28.08%	29.01%	32.85%	30.46%	30.20%	26.25%	29.13%	28.06%	30.13%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	9,446,048%
Allocated kW	4,295	4,231	4,469	3,166	4,539	4,875	5,130	4,873	4,836	5,068	4,350	4,708	54,540
GS No. 1 - Kanab City													
kWh	905,113	831,829	702,611	705,337	794,059	857,016	942,560	990,396	900,151	680,272	763,823	817,735	9,900,902
Metered kW	3,828.00	3,532.00	3,691.00	3,679.00	3,631.00	3,896.00	3,916.00	3,716.00	3,639.00	3,642.00	3,622.00	3,778.00	44,570.00
Load Factor	31.78%	35.05%	25.59%	26.63%	29.39%	30.55%	32.35%	35.82%	34.36%	25.47%	29.29%	29.09%	30.45%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	9,446,048%
Allocated kW	2,114	1,950	2,038	1,370	1,817	2,144	2,143	2,021	2,009	1,995	1,819	2,086	23,506
GS No. 1 - Hildale													
kWh	144,236	171,560	99,878	134,881	130,725	180,530	189,973	225,733	163,582	152,092	132,070	146,660	1,871,920
Metered kW	577.00	583.00	540.00	552.00	631.00	669.00	716.00	686.00	636.00	629.00	590.00	617.00	7,426.00
Load Factor	33.60%	43.79%	24.86%	33.94%	27.85%	37.48%	35.66%	44.23%	35.72%	32.50%	31.09%	31.95%	34.39%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	9,446,048%
Allocated kW	350	354	328	226	347	405	431	410	386	379	326	375	4,317
GS No. 2													
kWh	2,386,358	2,654,185	2,261,970	2,164,514	2,476,236	2,175,682	2,215,484	2,186,779	2,222,033	2,253,691	2,263,439	2,805,581	27,865,952
Metered kW	7,080.00	7,648.00	7,440.00	7,584.00	7,707.00	6,828.00	6,557.00	6,828.00	6,828.00	7,896.00	7,740.00	7,944.00	88,080.00
Load Factor	45.30%	51.64%	40.86%	39.64%	43.19%	44.26%	45.41%	43.05%	45.20%	38.36%	40.62%	44.08%	43.47%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	9,446,048%
Allocated kW	4,691	5,067	4,930	3,389	4,628	4,510	4,307	4,457	4,524	5,192	4,665	5,264	55,624
GS No. 2 - Kanab City													
kWh	654,460	614,260	548,920	597,420	687,320	657,600	707,380	763,880	754,720	559,700	652,600	584,040	7,782,300
Metered kW	1,705.00	1,518.00	1,478.00	1,418.00	1,566.00	1,687.00	1,803.00	1,767.00	1,770.00	1,576.00	1,458.00	1,573.00	19,318.00
Load Factor	51.59%	60.22%	49.92%	56.52%	58.99%	54.14%	52.73%	58.11%	59.22%	47.73%	62.17%	49.90%	55.27%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	9,446,048%
Allocated kW	1,318	1,173	1,143	739	1,097	1,300	1,382	1,346	1,368	1,209	1,025	1,216	14,316

GARKANE ENERGY COOPERATIVE, INC.
MONTHLY CLASS DEMAND ALLOCATION
SUM OF G&T CP

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>Total</u>
Hours	744	672	744	720	744	720	744	744	720	744	720	744	8,760
GS No. 2 - Hildale													
kWh	356,234	412,936	260,307	368,229	376,457	352,959	442,770	464,491	403,747	354,256	341,530	379,560	4,513,476
Metered kW	1,222.00	1,082.00	1,058.00	1,061.00	1,060.00	1,063.00	1,254.00	1,196.00	1,250.00	1,132.00	1,115.00	1,136.00	13,631.00
Load Factor	39.18%	56.79%	33.07%	48.20%	47.73%	46.12%	47.46%	52.20%	44.86%	42.06%	42.54%	44.83%	45.42%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	60.00%
Allocated kW	810	717	701	474	636	702	824	781	828	744	672	754	8,643
GS No. 3													
kWh	157,243	162,292	125,821	119,785	137,574	141,145	141,565	161,032	141,012	115,868	109,326	143,499	1,660,162
Metered kW	483.00	512.00	559.00	614.00	673.00	620.00	534.00	740.00	595.00	572.00	588.00	531.00	7,021.00
Load Factor	43.76%	47.17%	31.21%	27.10%	27.48%	31.62%	35.63%	29.25%	32.92%	27.23%	25.82%	36.32%	32.96%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	60.00%
Allocated kW	293	311	340	252	370	375	322	443	361	345	325	323	4,060
GS No. 3 - Kanab City													
kWh	10,002	9,209	8,485	8,461	9,873	10,050	10,968	11,044	10,006	5,503	7,705	6,227	107,534
Metered kW	30.00	29.00	28.00	29.00	42.00	59.00	48.00	41.00	39.00	35.00	22.00	24.00	426.00
Load Factor	44.81%	47.25%	40.73%	40.52%	31.60%	23.66%	30.72%	36.21%	35.63%	21.13%	46.64%	34.87%	36.31%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	60.00%
Allocated kW	20	19	19	13	25	39	32	27	26	23	13	16	272
GS No. 1 - Public Bldg & Auth-Hildale													
kWh	83,875	91,116	47,478	51,260	43,690	96,301	79,475	52,485	53,736	71,097	46,064	42,444	759,021
Metered kW	185.00	184.00	201.00	164.00	119.00	206.00	220.00	188.00	222.00	221.00	171.00	118.00	2,199.00
Load Factor	60.94%	73.69%	31.75%	43.41%	49.35%	64.93%	48.56%	37.52%	33.62%	43.24%	37.41%	48.35%	47.73%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	60.00%
Allocated kW	133	132	144	79	77	147	157	133	159	157	112	85	1,515
GS No. 2 - Public Bldg & Auth-Hildale													
kWh	9,223	11,229	7,284	8,724	7,723	11,625	11,939	12,782	9,925	8,982	7,723	7,834	114,993
Metered kW	32.00	31.00	32.00	29.00	32.00	37.00	42.00	37.00	36.00	35.00	24.00	28.00	395.00
Load Factor	38.74%	53.90%	30.59%	41.78%	32.44%	43.64%	38.21%	46.43%	38.29%	34.49%	44.69%	37.61%	40.07%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	60.00%
Allocated kW	21	21	21	13	19	24	28	24	24	23	14	19	251

GARKANE ENERGY COOPERATIVE, INC.

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Hours	January	February	March	April	May	June	July	August	September	October	November	December	Total
Net Meter - Commercial	744	672	744	720	744	720	744	744	720	744	720	744	8,760
Metered kW	45,282	40,249	33,547	34,182	43,005	17,278	60,263	44,241	47,333	29,929	39,056	42,108	476,473
Load Factor	213.00	189.90	206.00	156.00	194.00	115.00	192.00	178.00	191.00	178.00	188.00	220.00	2,230.90
Losses	28.57%	31.54%	21.89%	30.43%	29.80%	20.87%	42.19%	33.41%	34.42%	22.60%	27.40%	25.73%	29.07%
Coincidence Factor	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
CP:NCP Ratio	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Allocated kW	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	9.446048%
Irrigation	118	105	114	58	97	63	105	97	105	98	99	121	1,180
Metered kW	11,292	10,521	12,084	60,786	315,177	968,241	1,034,861	679,286	516,900	193,439	94,238	33,724	3,930,549
Load Factor	178.00	149.00	189.00	329.00	1,442.00	2,603.00	2,395.00	2,329.00	2,072.00	1,237.00	371.00	109.00	13,403.00
Losses	8.53%	10.51%	8.59%	25.65%	29.38%	51.66%	58.08%	38.20%	34.65%	21.02%	35.28%	41.58%	30.34%
Coincidence Factor	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
CP:NCP Ratio	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Allocated kW	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	9.446048%
Muni Culinary and Irrig. Pumping - On Peak	98	82	104	123	722	1,433	1,311	1,267	1,144	678	186	60	7,208
Metered kW	12,503	14,593	9,095	9,256	22,726	32,228	39,551	33,891	30,277	19,222	14,042	12,142	249,526
Load Factor	127.00	61.00	66.00	90.00	187.00	199.00	188.00	225.00	220.00	217.00	210.00	112.00	1,912.00
Losses	13.23%	35.60%	18.52%	14.28%	15.51%	22.49%	28.28%	20.25%	19.11%	11.91%	9.29%	14.57%	18.59%
Coincidence Factor	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
CP:NCP Ratio	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Allocated kW	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	9.446048%
Extra Large Power Service	70	34	36	34	99	110	103	122	121	119	105	62	1,015
Metered kW	1,948,000	1,596,000	1,667,000	2,079,000	1,833,000	1,788,000	2,097,000	1,792,000	1,614,000	2,160,000	1,472,000	2,036,000	22,082,000
Load Factor	2,743.00	2,775.00	2,794.00	2,731.00	2,704.00	2,734.00	2,749.00	2,767.00	2,731.00	2,743.00	2,723.00	2,720.00	32,914.00
Losses	95.45%	85.59%	80.19%	105.73%	91.11%	90.83%	102.53%	87.05%	82.08%	105.84%	75.08%	100.61%	91.84%
Coincidence Factor	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
CP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	2,743	2,775	2,794	1,842	2,450	2,725	2,725	2,726	2,731	2,722	2,477	2,720	31,430
Street & Security Lighting	48,200	48,240	48,360	48,320	48,360	48,040	49,320	47,960	48,160	48,160	48,000	47,520	578,640
Metered kW	143.97	159.52	144.44	149.14	144.44	148.27	147.31	143.25	148.64	143.85	148.15	141.94	1,762.92
Load Factor	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	0	0	0	111	0	0	0	98.51%	100.00%	98.23%	90.96%	0	111

GARKANE ENERGY COOPERATIVE, INC.

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SUM OF G&T CP

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Hours	744	672	744	720	744	720	744	744	720	744	720	744	8,760
<u>St. & Security Lights-Kanab City</u>													
kWh	9,980	9,980	9,980	9,980	9,980	9,980	9,980	9,980	9,660	9,660	9,660	9,660	118,480
Metered kW	29.81	33.00	29.81	30.80	29.81	30.80	29.81	29.81	29.81	28.85	29.81	28.85	360.97
Load Factor	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	0	0	0	23	0	0	0	0	0	0	0	0	23
<u>GS No. 1-Arizona</u>													
kWh	233,475	232,694	195,030	180,315	240,428	251,585	298,951	282,138	253,846	230,379	232,478	209,319	2,840,638
Metered kW	788.00	848.00	810.00	764.00	882.00	962.00	1,045.00	1,019.00	1,029.00	1,022.00	938.00	877.00	10,984.00
Load Factor	39.82%	40.83%	32.36%	32.78%	36.64%	36.32%	38.45%	37.21%	34.26%	30.30%	34.42%	32.08%	35.46%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	479	515	492	313	485	582	629	610	625	616	518	533	6,397
<u>GS No. 1 - Colorado City-Arizona</u>													
kWh	206,041	217,505	137,310	184,122	286,294	306,947	385,930	426,132	254,939	218,376	188,763	193,480	2,985,849
Metered kW	748.00	808.00	736.00	862.00	960.00	995.00	1,108.00	1,122.00	1,130.00	1,012.00	953.00	865.00	11,299.00
Load Factor	37.02%	40.06%	25.08%	29.67%	37.28%	42.85%	46.82%	51.05%	31.33%	29.00%	27.51%	30.07%	35.64%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	454	491	447	353	528	602	667	671	586	610	526	525	6,560
<u>GS No. 2-Arizona</u>													
kWh	433,630	623,140	485,145	592,460	695,410	649,455	721,020	713,230	753,340	812,395	679,110	636,420	7,774,755
Metered kW	1,718.00	1,635.00	1,558.00	1,713.00	2,349.00	1,958.00	1,860.00	2,118.00	2,179.00	2,144.00	2,118.00	1,863.00	23,214.00
Load Factor	33.93%	56.72%	40.13%	48.04%	39.79%	46.07%	52.10%	45.26%	48.02%	50.93%	44.51%	45.92%	45.95%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	1,138	1,083	1,032	765	1,410	1,293	1,222	1,382	1,444	1,410	1,277	1,234	14,690
<u>GS No. 2 - Colorado City-Arizona</u>													
kWh	126,145	158,494	89,813	152,697	188,115	177,251	169,825	201,369	170,416	143,841	136,921	186,130	1,881,017
Metered kW	396.00	406.00	360.00	431.00	528.00	422.00	417.00	464.00	462.00	468.00	386.00	616.00	5,356.00
Load Factor	42.82%	58.09%	33.53%	49.21%	42.80%	58.34%	54.74%	58.33%	51.23%	41.31%	49.27%	40.61%	48.36%
Losses	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%	9,446,048%
Coincidence Factor	85.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Allocated kW	284	291	258	209	343	302	297	328	332	333	252	442	3,671

GARKANE ENERGY COOPERATIVE, INC.

MONTHLY CLASS DEMAND ALLOCATION
SUM OF G&T CP

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Hours	744	672	744	720	744	720	744	744	720	744	720	744	8,760
GS No. 1 - Public Bldg. & Auth. - Arizona													
kWh	57,866	63,269	46,740	27,446	31,338	21,948	28,021	26,341	41,187	48,973	64,807	79,562	537,498
Metered kW	204.00	217.00	161.00	161.00	144.00	142.00	161.00	206.00	204.00	206.00	210.00	293.00	2,329.00
Load Factor	38.13%	43.39%	34.71%	23.88%	29.25%	21.47%	23.39%	17.19%	28.04%	31.95%	42.86%	36.50%	30.88%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	9.446048%
Allocated kW	113	120	100	60	72	78	88	112	113	113	105	162	1,236
GS No. 1 - Public Bldg & Auth. - CC-Arizona													
kWh	91,841	107,574	64,728	114,806	95,770	129,241	113,204	130,224	93,831	96,788	95,228	84,108	1,217,143
Metered kW	250.00	252.00	286.00	278.00	296.00	316.00	321.00	300.00	299.00	293.00	285.00	300.00	3,446.00
Load Factor	49.38%	63.52%	33.98%	57.26%	43.49%	56.80%	47.40%	58.34%	43.59%	44.40%	46.41%	37.68%	48.52%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	9.446048%
Allocated kW	166	167	170	124	178	209	211	196	198	193	172	199	2,163
GS No. 2 - Public Bldg & Auth. - CC-Arizona													
kWh	176,884	214,481	127,784	193,729	241,609	298,646	250,790	323,846	228,515	234,608	164,263	176,709	2,631,864
Metered kW	609.00	619.00	569.00	612.00	760.00	781.00	758.00	861.00	921.00	826.00	629.00	625.00	8,570.00
Load Factor	39.04%	51.56%	30.19%	43.97%	42.73%	53.11%	44.47%	50.55%	34.46%	38.18%	36.27%	38.00%	41.88%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	9.446048%
Allocated kW	404	410	377	273	456	516	498	562	610	543	379	414	5,442
Irrigation-Arizona													
kWh	6,393	6,180	5,574	40,307	87,622	69,834	86,282	37,307	43,080	40,281	26,981	7,112	456,973
Metered kW	79.00	62.00	64.00	210.00	235.00	226.00	219.00	238.00	208.00	190.00	110.00	107.00	1,948.00
Load Factor	10.88%	14.83%	11.71%	26.68%	50.12%	42.92%	52.95%	21.07%	28.77%	28.50%	34.08%	8.93%	27.52%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	9.446048%
Allocated kW	44	34	35	78	118	124	120	129	115	104	55	59	1,015
Street and Security Lights-Arizona													
kWh	4,860	4,820	4,860	4,940	4,900	4,900	4,900	4,900	4,900	4,900	4,860	4,820	58,560
Calculated Metered kW	14.52	15.94	14.52	15.25	14.64	15.12	14.64	14.64	15.12	14.64	15.00	14.40	178.43
Load Factor	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%
Losses	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%	9.446048%
Coincidence Factor	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CP:NCP Ratio	100.00%	100.00%	100.00%	67.44%	90.62%	99.69%	99.13%	98.51%	100.00%	99.23%	90.96%	100.00%	5.58%
Allocated kW	0	0	0	11	0	0	0	0	0	0	0	0	11

GARKANE ENERGY COOPERATIVE, INC.

CONSUMERS BY PHASE

	Average Consumers	Single- Phase	Three- Phase
Utah			
Residential	7,938	7,938	0
Residential - Kanab City	1,217	1,217	0
Residential - Hildale	268	268	0
GS No. 1	1,117	447	670
GS No. 1 - Kanab City	346	118	228
GS No. 1 - Hildale	47	5	42
GS No. 2	136	14	122
GS No. 2 - Kanab City	17	0	17
GS No. 2 - Hildale	20	2	18
GS No. 3	88	44	44
GS No. 3 - Kanab City	5	3	2
GS No. 1-Public Bldg-Hildale	12	3	9
GS No. 2-Public Bldg-Hildale	3	1	2
Net Meter - Residential	24	24	0
Net Meter - Commercial	14	7	7
Irrigation	117	39	78
Muni Culinary and Irrig	7	1	6
Extra Large Power Service *	1	0	0
Street & Security Lighting	27	27	0
Lighting-Kanab City	1	1	0
Total Utah	11,405	10,159	1,246
Arizona			
Residential Service	552	552	0
Residential Service - Colorado City	580	580	0
GS No. 1	127	51	76
GS No. 1 - Colorado City	87	22	65
GS No. 2	6	1	5
GS No. 2 - Colorado City	19	3	16
GS No. 1 - Public Bldg. & Auth.	9	3	6
GS No. 1-Public Bldg&Auth - CC	23	6	17
GS No. 2-Public Bldg&Auth - CC	17	0	17
Irrigation	15	6	9
Street and Security Lights	5	5	0
Total Arizona	1,440	1,229	211
Total System	12,845	11,388	1,457

ACCOUNT 364 AND 365 - OVERHEAD DISTRIBUTION LINE

Schedule I-4.0

GARKANE ENERGY COOPERATIVE, INC.

ACCOUNT 367 - UNDERGROUND DISTRIBUTION LINE

Account 366	\$	157,470.99
Account 367		3,413,752.11
Total Investment	\$	3,571,223.10
Less: Direct Assignments		0.00
Total	\$	3,571,223.10

	Miles of Line	Cost Per Mile	Weighting Factor	Weighted Miles	% of Total	Investment
Single Phase	521.51	126,447.52	1.00	521.51	80.946%	\$ 2,890,756.06
Three Phase Backbone	76.49	202,937.44	1.60	122.76	19.054%	680,467.04
Total	598.00			644.27	100.000%	\$ 3,571,223.10
Total Miles of Line	598.00					

GARKANE ENERGY COOPERATIVE, INC.

ACCOUNT 368 - TRANSFORMERS

Utah	Consumers	Installed kVA	kVA Per Consumer	Cost Per kVA	Extended Cost	Minimum kVA Per Consumer	Minimum Cost Per kVA	Minimum Installed kVA	Minimum Extended Cost	Remainder Cost
Residential	7,938	119,070	15.00	\$ 47.56	\$ 5,663,308.32	10.00	\$ 47.56	79,380.00	\$ 3,775,538.88	\$ 1,887,769.44
Residential - Kanab City	1,217	18,255.00	15.00	47.56	868,259.79	10.00	47.56	12,170.00	578,839.86	289,419.93
Residential - Hildale	268	6,700.00	25.00	42.98	287,972.65	10.00	47.56	2,680.00	127,468.43	160,504.22
GS No. 1	1,117	24,251.50	21.71	42.98	1,042,353.53	10.00	47.56	11,170.00	531,277.01	511,076.52
GS No. 1 - Kanab City	346	9,679.25	27.97	40.64	393,401.21	10.00	47.56	3,460.00	164,567.45	228,833.76
GS No. 1 - Hildale	47	1,685.25	35.86	40.64	68,494.91	10.00	47.56	470.00	22,354.54	46,140.37
GS No. 2	136	18,467.75	135.79	26.77	494,402.68	10.00	47.56	1,360.00	64,685.47	429,717.21
GS No. 2 - Kanab City	17	4,018.00	236.35	26.25	105,469.18	10.00	47.56	170.00	8,085.68	97,383.50
GS No. 2 - Hildale	20	2,688.00	134.40	26.77	71,960.82	10.00	47.56	200.00	9,512.57	62,448.25
GS No. 3	88	1,790.25	20.34	42.98	76,946.72	10.00	47.56	880.00	41,855.31	35,091.41
GS No. 3 - Kanab City	5	133.00	26.60	40.64	5,405.62	10.00	47.56	50.00	2,378.14	3,027.48
GS No. 1-Public Bldg-Hildale	12	686.00	57.17	31.93	21,905.55	10.00	47.56	120.00	5,707.54	16,198.01
GS No. 2-Public Bldg-Hildale	3	78.75	26.25	40.64	3,200.70	10.00	47.56	30.00	1,426.89	1,773.81
Net Meter - Residential	24	360.00	15.00	47.56	17,122.63	10.00	47.56	240.00	11,415.08	5,707.55
Net Meter - Commercial	14	458.50	32.75	40.64	18,635.17	10.00	47.56	140.00	6,658.80	11,976.37
Irrigation	117	5,265.75	45.01	40.64	214,019.93	10.00	47.56	1,170.00	55,648.53	158,371.40
Muni Culinary and Irrig	7	537.25	76.75	31.93	17,155.62	10.00	47.56	70.00	3,329.40	13,826.22
Extra Large Power Service	1									
Street & Security Lighting	27	135	5.00	65.73	8,873.36	10.00	65.73	270.00	8,873.36	
Lighting-Kanab City	1	5	5.00	65.73	328.64	10.00	65.73	10.00	328.64	
Total Utah	11,405	214,264.25	18.79		\$ 9,379,217.03				\$ 5,419,951.58	\$ 3,959,265.45
Arizona										
Residential Service	552	8,280	15.00	\$ 47.56	\$ 393,820.38	10.00	\$ 47.56	5,520.00	\$ 262,546.92	\$ 131,273.46
Res - Colorado City	580	14,500.00	25.00	42.98	623,224.39	10.00	47.56	5,800.00	275,864.52	347,359.87
GS No. 1	127	2,588.25	20.38	42.98	111,245.55	10.00	47.56	1,270.00	60,404.82	50,840.73
GS No. 1 - Colorado City	87	2,971.50	34.16	40.64	120,772.96	10.00	47.56	870.00	41,379.68	79,393.28
GS No. 2	6	4,607.75	767.96	16.44	75,759.17	10.00	47.56	60.00	2,853.77	72,905.40
GS No. 2 - Colorado City	19	1,466.50	77.18	31.93	46,828.70	10.00	47.56	190.00	9,036.94	37,791.76
GS No. 1 - Public Bldg.	9	602.00	66.89	31.93	19,223.24	10.00	47.56	90.00	4,280.66	14,942.58
GS No. 1-Public Bldg. - CC	23	659.75	28.68	40.64	26,814.73	10.00	47.56	230.00	10,939.46	15,875.27
GS No. 2-Public Bldg. - CC	17	1,897.00	111.59	26.77	50,784.85	10.00	47.56	170.00	8,085.68	42,699.17
Irrigation	15	479.50	31.97	40.64	19,488.69	10.00	47.56	150.00	7,134.43	12,354.26
Street and Security Lights	5	25	5.00	65.73	1,643.21	10.00	\$ 65.73	50.00	1,643.21	
Total Arizona	1,440	38,077.25	26.44		\$ 1,489,605.87				\$ 684,170.09	\$ 805,435.78
Total System	12,845	252,341.50	19.65		\$ 10,868,822.90			111,060.00	\$ 6,104,121.67	\$ 4,764,701.23
% of Total									56.16%	43.84%

Supporting Schedule:
I-6.1

GARKANE ENERGY COOPERATIVE, INC.

ACCOUNT 368 - TRANSFORMERS - CPR

Item	Size	Quantity	Installed kVA	CPR Investment	Cost Per kVA	General Ledger
Transformer Sleeve		13		\$ 897.80		
Transformer Pads		626		45,988.61		
Voltage Regulators		1		20,913.94		
Enclosure		1,151		244,547.41		
Enclosure		141		102,272.41		
Stepdown	500	16		105,895.93		
Subtotal		1,948		\$ 520,516.10		\$ 691,940.92
Trnsfmrs	0.50	5	2.50	\$ 2,172.03	\$ 868.81	
Trnsfmrs	3.00	49	147.00	4,145.99	28.20	
Trnsfmrs	3.00	38	114.00	3,149.20	27.62	
Trnsfmrs	5.00	438	2,190.00	153,805.58	70.23	
Trnsfmrs	10.00	1,362	13,620.00	706,972.90	51.91	
Trnsfmrs	10.00	309	3,090.00	79,161.54	25.62	
Trnsfmrs	10.00	585	5,850.00	662,114.21	113.18	
Trnsfmrs	10.00	114	1,140.00	34,769.15	30.50	
Trnsfmrs	10.00	75	750.00	17,561.55	23.42	
Trnsfmrs	10.00	29	290.00	27,967.69	96.44	
Trnsfmrs	15.00	1,443	21,645.00	851,196.42	39.33	
Trnsfmrs	15.00	285	4,275.00	172,107.38	40.26	
Trnsfmrs	15.00	340	5,100.00	457,013.78	89.61	
Trnsfmrs	15.00	145	2,175.00	62,766.49	28.86	
Trnsfmrs	15.00	17	255.00	17,362.16	68.09	
Trnsfmrs	25.00	638	15,950.00	493,841.96	30.96	
Trnsfmrs	25.00	340	8,500.00	279,480.31	32.88	
Trnsfmrs	25.00	857	21,425.00	1,050,562.58	49.03	
Trnsfmrs	25.00	45	1,125.00	141,598.45	125.87	
Trnsfmrs	25.00	32	800.00	19,498.78	24.37	
Trnsfmrs	25.00	109	2,725.00	171,028.34	62.76	
Trnsfmrs	37.50	171	6,412.50	225,723.70	35.20	
Trnsfmrs	37.50	174	6,525.00	315,425.51	48.34	
Trnsfmrs	37.50	21	787.50	20,193.43	25.64	
Trnsfmrs	37.50	23	862.50	58,271.75	67.56	
Trnsfmrs	45.00	28	1,260.00	160,124.59	127.08	
Trnsfmrs	45.00	3	135.00	15,660.35	116.00	

GARKANE ENERGY COOPERATIVE, INC.

ACCOUNT 368 - TRANSFORMERS - CPR

Item	Size	Quantity	Installed kVA	CPR Investment	Cost Per kVA	General Ledger
Trnsfmrs	50.00	234	11,700.00	349,046.65	29.83	
Trnsfmrs	50.00	81	4,050.00	98,203.10	24.25	
Trnsfmrs	50.00	23	1,150.00	66,788.27	58.08	
Trnsfmrs	50.00	16	800.00	31,142.09	38.93	
Trnsfmrs	75.00	28	2,100.00	40,636.85	19.35	
Trnsfmrs	75.00	59	4,425.00	157,494.33	35.59	
Trnsfmrs	75.00	11	825.00	26,520.89	32.15	
Trnsfmrs	100.00	49	4,900.00	80,935.76	16.52	
Trnsfmrs	100.00	18	1,800.00	68,737.94	38.19	
Trnsfmrs	100.00	5	500.00	10,468.41	20.94	
Trnsfmrs	100.00	3	300.00	11,578.14	38.59	
Trnsfmrs	112.50	2	225.00	6,272.57	27.88	
Trnsfmrs	112.50	7	787.50	23,257.26	29.53	
Trnsfmrs	150.00	41	6,150.00	237,169.53	38.56	
Trnsfmrs	150.00	5	750.00	26,045.21	34.73	
Trnsfmrs	167.00	24	4,008.00	45,709.54	11.40	
Trnsfmrs	167.00	1	167.00	5,416.94	32.44	
Trnsfmrs	167.50	1	167.50	8,714.76	52.03	
Trnsfmrs	225.00	27	6,075.00	144,823.75	23.84	
Trnsfmrs	225.00	4	900.00	18,578.49	20.64	
Trnsfmrs	300.00	10	3,000.00	70,483.64	23.49	
Trnsfmrs	500.00	4	2,000.00	11,724.78	5.86	
Subtotal		8,328	183,931.00	\$ 7,743,424.72	42.10	\$ 10,293,615.12
Total Account 368		10,276		\$ 8,263,940.82		\$ 10,985,556.04

Weighted Average Cost per kVA

kVA Range:

3.00 - 5.00 kVA	3.00	5.00	2,451.00	\$ 161,100.77	\$ 65.73
10.00 - 37.50 kVA	10.00	37.50	123,302.50	5,864,618.08	47.56
15.00 - 50.00 kVA	15.00	50.00	117,657.50	5,057,036.09	42.98
25.00 - 75.00 kVA	25.00	75.00	91,557.50	3,721,241.93	40.64
45.00 - 167.00 kVA	45.00	167.00	46,032.50	1,469,923.18	31.93
75.00 - 225.00 kVA	75.00	225.00	34,080.00	912,360.37	26.77
150.00 - 300.00 kVA	150.00	300.00	21,217.50	556,941.86	26.25

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INCOME STATEMENT FOR DEC 2014

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital					
0 440.2 SEASONAL RESIDENTIAL SALES - UT	0.00	0.00	0.00	0.00	0.00
0 440.3 RESIDENTIAL SALES - UTAH	9,331,595.40	8,899,503.16	9,544,384.00	837,504.49	910,534.00
0 440.31 RESIDENTIAL SALES - ARIZONA	2,452,513.15	2,425,578.34	2,541,259.00	193,290.29	242,436.00
0 441.0 IRRIGATION SALES - UTAH	369,167.24	408,893.44	397,119.00	3,498.43	2,740.00
0 441.1 IRRIGATION SALES - ARIZONA	41,578.87	117,817.38	44,539.00	6,035.62	307.00
0 442.1 SM COMMERCIAL & INDUSTRIAL SALES -	5,527,192.92	5,498,450.05	5,583,339.00	423,851.30	532,651.00
0 442.11 SM COMMERCIAL & INDUSTRIAL SALES -	1,437,080.69	1,278,489.06	1,452,757.00	77,236.05	138,593.00
0 442.2 LARGE COMMERCIAL & INDUSTRIAL SAL	1,507,825.80	1,496,750.70	1,454,374.00	150,499.10	138,747.00
0 442.21 LARGE COMMERCIAL & INDUSTRIAL SAL	0.00	0.00	0.00	0.00	0.00
0 444.0 PUBLIC STREET & HIGHWAY LIGHTING -	55,879.70	55,235.65	57,924.00	4,638.95	5,526.00
0 444.1 PUBLIC STREET & HIGHWAY LIGHTING -	9,901.68	11,436.36	9,902.00	995.66	945.00
0 445.0 OTHER SALES TO PUBLIC AUTHORITIES -	1,635,485.05	1,609,600.77	1,694,664.00	131,148.20	161,671.00
0 445.1 OTHER SALES TO PUBLIC AUTHORITIES -	378,753.73	382,218.26	410,359.00	25,106.19	39,148.00
0 450.0 FORFEITED DISCOUNTS -- COLLECTION F	36,823.16	44,892.03	31,642.00	3,466.24	3,019.00
0 451.0 MISC SERVICE REVENUE - UT CONNECT F	53,187.00	59,592.50	54,966.00	3,935.00	5,244.00
0 451.1 MISC SERVICE REVENUE - AZ CONNECT F	15,050.00	16,902.50	14,854.00	405.00	1,417.00
0 454.0 RENT FROM ELECTRIC PROPERTY	52,795.20	60,625.52	53,066.00	7,162.00	5,062.00
0 454.01 RENT REVENUE FROM HOME RENTAL PR	0.00	0.00	0.00	0.00	0.00
0 456.0 OTHER ELECTRIC REVENUE	113,434.73	61,170.58	77,549.00	2,980.85	7,398.00
0 456.01 ELECTRIC REVENUE FROM WHEELING C	693,405.41	548,808.05	730,357.00	41,000.75	69,676.00
0 456.02 OTHER ELECT REV - SCC SERVICE AGREE	0.00	0.00	0.00	0.00	0.00
0 456.03 MISC REVENUE GENERLINK SALES	14,499.13	7,435.00	15,531.00	260.00	1,482.00
Total for Line 1:	23,726,168.86	22,983,399.35	24,168,585.00	1,913,014.12	2,266,596.00
2. Power Production Expense					
0 535.0 OPERATION SUPERVISION & ENGINEERIN	0.00	0.00	0.00	0.00	0.00
0 536.0 WATER POWER RIGHTS & PERC LICENSE	187,643.23	166,175.14	128,640.00	6,557.75	10,720.00
0 537.0 HYDRAULIC EXPENSES	0.00	0.00	0.00	0.00	0.00
0 538.0 ELECTRIC EXPENSE	159,000.00	159,000.00	163,632.00	13,250.00	13,636.00
0 539.0 MISC HYDRAULIC POWER GENERATION	6,706.12	4,711.75	11,424.00	300.99	952.00
0 540.0 RENTS	0.00	0.00	0.00	0.00	0.00
0 542.0 MAINTENANCE OF STRUCTURES	0.00	1,727.16	0.00	0.00	0.00
0 543.0 MAINT RESERVOIRS, DAMS & WATERWA	13,204.97	9,028.16	9,100.00	1,392.64	1,300.00
0 544.0 MAINT OF ELECTRIC PLANT	149,811.08	34,521.52	146,664.00	4,232.30	12,222.00
0 545.0 MAINT MISC HYDRAULIC PLANT	0.00	408.29	0.00	0.00	0.00

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INCOME STATEMENT FOR DEC 2014

Item	Year - To - Date		Period - To - Date	
	Last Year	This Year	Current	Budget
2. Power Production Expense				
0 546.0 OPER, SUPERVISION & ENGINEERING	0.00	0.00	0.00	0.00
0 547.0 FUEL	0.00	0.00	0.00	0.00
0 548.0 GENERATION EXPENSES	9,549.37	1,891.16	486.90	348.00
0 549.0 MISC OTHER GENERATING EXPENSE	330.65	0.00	0.00	597.00
0 550.0 RENTS - GENERATOR SITE LEASE	0.00	0.00	0.00	0.00
0 553.0 MAINT OF GENERATING & ELECTRIC EQU	7,172.56	21,866.10	14,588.78	1,664.00
Total for Line 2:	533,417.98	399,329.28	40,809.36	41,439.00
3. Cost of Purchased Power				
0 555.0 PURCHASED POWER	7,988,628.58	7,385,789.88	108,166.89	743,937.00
0 555.1 PURCHASED POWER - GREENWAY PROGR	1,825.07	0.00	0.00	0.00
0 556.0 SYSTEM CONTROL & LOAD DISPATCHING	57,680.69	39,851.25	2,655.87	5,380.00
0 557.0 OTHER EXPENSES	4,153.85	250.00	0.00	235.00
Total for Line 3:	8,052,288.19	7,425,891.13	110,822.76	749,552.00
4. Transmission Expense				
0 560.0 OPER SUPERVISION & ENGINEERING	0.00	0.00	0.00	0.00
0 561.0 LOAD DISPATCHING	52,150.57	34,077.68	1,218.72	4,218.00
0 562.0 STATION EXPENSES	21,068.93	25,458.02	4,123.50	1,599.00
0 563.0 OVERHEAD LINE EXPENSES	19,604.71	4,130.32	0.00	1,263.00
0 566.0 MISC TRANSMISSION EXPENSES	38,549.28	2,187.91	0.00	5,095.00
0 567.0 RENTS	0.00	0.00	0.00	0.00
0 570.0 MAINT OF STATION EQUIP	78,771.90	103,954.81	-12,386.16	10,325.00
0 571.0 MAINT OF OVERHEAD LINES	44,780.70	31,618.39	1,228.25	5,459.00
Total for Line 4:	254,926.09	201,427.13	-5,815.69	27,959.00
5. Regional Market Operations Expense	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation				
0 580.0 OPERATION SUPERVISION & ENGINEERIN	31,859.71	37,135.82	2,815.19	2,716.00
0 581.0 LOAD DISPATCHING	37,215.34	26,236.03	2,052.57	2,748.00
0 582.0 STATION EXPENSE	14,498.05	8,010.07	462.62	1,185.00
0 583.0 OVERHEAD LINE EXPENSE	127,813.51	158,677.00	15,111.82	10,869.00
0 584.0 UNDERGROUND LINE EXPENSE	20,850.43	14,826.78	3,489.06	624.00
0 585.0 STREET LIGHTING & SIGNAL SYSTEM EX	7,510.38	5,378.86	1,814.51	749.00
0 586.0 METER EXPENSE	204,261.65	158,728.92	15,396.64	19,706.00
0 586.01 METER EXPENSE - TURTLE METERS	80,613.85	86,757.86	6,303.37	6,581.00
0 586.02 METER EXPENSE - PLX PILOT PROGRAM	0.00	70,318.42	9,015.91	0.00

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INCOME STATEMENT FOR DEC 2014

Item	Year - To - Date		Period - To - Date	
	Last Year	This Year	Current	Budget
6. Distribution Expense - Operation				
0 587.0 CUSTOMER INSTALLATION EXPENSE	3,405.26	-2,458.04	0.00	2,072.00
0 588.0 MISC DISTRIBUTION EXPENSE	286,788.79	318,841.35	27,241.52	22,558.00
0 589.0 RENTS, RIGHTS OF WAY	14,668.69	8,203.24	200.00	1,052.00
Total for Line 6:	829,485.66	890,656.31	83,903.21	70,860.00
7. Distribution Expense - Maintenance				
0 590.0 MAINT SUPERVISION & ENGINEERING	30,052.10	36,615.51	2,815.32	2,670.00
0 592.0 MAINT OF STATION EQUIP	155,043.06	253,005.36	16,869.54	18,291.00
0 593.0 MAINT OF OVERHEAD LINES	380,414.93	274,911.84	31,649.86	31,135.00
0 593.01 MAINT OF OVERHEAD LINES - TREE TRIM	51,449.16	171,937.32	19,982.14	10,912.00
0 594.0 MAINT OF UNDERGROUND LINES	105,688.22	91,044.44	8,427.35	10,077.00
0 594.01 MAINT URD LOCATES	62,308.09	67,830.26	6,040.46	5,860.00
0 595.0 MAINT OF LINE TRANSFORMERS	22,837.69	33,245.99	5,031.51	4,350.00
0 596.0 MAINT OF STREET LIGHTING & SIGNAL SYS	19,153.06	22,597.91	3,460.46	2,357.00
0 597.0 MAINTENANCE OF METERS	123,020.81	121,674.88	9,453.44	10,869.00
0 597.01 MAINT OF TURTLE METERS	212.64	0.00	0.00	18.00
0 598.0 MAINT OF MISC DISTRIBUTION PLANT	71,262.06	75,279.70	9,484.13	5,442.00
Total for Line 7:	1,021,441.82	1,148,143.21	113,214.21	101,981.00
8. Customer Accounts Expense				
0 901.0 CUSTOMER ACCOUNTS EXPENSE	7,471.98	7,161.16	2,852.84	1,122.00
0 902.0 METER READING EXPENSE	307,862.86	331,099.02	32,519.64	26,507.00
0 903.0 CUSTOMER RECORDS & COLLECTION EX	313,325.78	248,937.37	18,783.59	27,357.00
0 903.01 CUSTOMER RECORDS & COLLECT EXP - C	191,903.56	211,384.89	19,436.03	15,546.00
0 904.01 UNCOLLECTIBLE ACCOUNTS	0.00	0.00	0.00	0.00
0 905.0 MISC CUSTOMER ACCOUNTS EXPENSES	0.00	0.00	0.00	0.00
Total for Line 8:	820,564.18	798,582.44	73,592.10	70,532.00
9. Customer Service and Informational Expense				
0 907.0 CUSTOMER SERVICES - SUPERVISION	121.27	0.00	0.00	11.00
0 908.0 CUSTOMER ASSISTANCE EXPENSES	61,395.22	71,367.44	6,645.74	5,507.00
0 908.03 CUSTOMER ASSISTANCE - IRP	0.00	0.00	0.00	0.00
0 909.0 INFO & INSTRUCTIONAL ADVERTISING E	27,355.17	14,764.10	2,487.06	2,258.00
0 910.0 MISC CUST SERVICE & INFO EXPENSE	1,491.43	6,293.91	653.65	451.00
Total for Line 9:	90,363.09	92,425.45	9,786.45	8,227.00
10. Sales Expense				
0 912.0 DEMONSTRATING & SELLING EXPENSES	24,061.57	58,408.66	0.00	1,940.00

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INCOME STATEMENT FOR DEC 2014

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
10. Sales Expense					
0 913.0	200.00	2,405.40	108.00	0.00	9.00
ADVERTISING EXPENSES	24,261.57	60,814.06	23,388.00	0.00	1,949.00
Total for Line 10:					
11. Administrative and General Expense					
0 920.0	686,427.05	664,262.73	1,132,893.00	74,662.72	94,409.29
ADMINISTRATIVE & GENERAL SALARIES					
0 921.01	147,480.07	174,154.63	149,712.00	14,727.85	12,476.00
OFFICE SUPPLIES & EXPENSES					
0 921.02	97,462.71	112,162.62	103,140.00	9,365.50	8,595.00
OFF SUPPLIES & EXPENSE - TELEPHON					
0 921.03	21,768.37	17,158.65	27,672.00	3,705.40	2,306.00
OFF SUPPLIES & EXPENSE - POSTAGE/FRE					
0 923.01	12,184.00	17,042.00	12,768.00	0.00	1,064.00
OUTSIDE SERVICES EMPLOYED - AUDITO					
0 923.02	10,821.00	13,826.55	22,272.00	0.00	1,856.00
OUTSIDE SERVICES EMPLOYED - ATTORN					
0 923.03	0.00	0.00	0.00	0.00	0.00
OUTSIDE SERVICES EMPLOYED - ENGINE					
0 923.04	34,817.78	37,114.35	48,648.00	5,664.64	4,054.00
OUTSIDE SERVICES EMPLOYED - MISC					
0 924.01	209,918.00	209,833.75	215,772.00	18,553.75	17,981.00
PROPERTY INSURANCE EXPENSE					
0 925.01	93,063.28	100,144.97	101,760.00	5,417.75	8,480.00
INJURIES & DAMAGES					
0 925.02	69,438.78	85,493.17	70,980.00	7,078.62	5,915.00
INJURIES & DAMAGES - ST INSURANCE F					
0 926.01	156,041.30	171,368.32	161,616.00	14,123.79	13,468.00
EMPLOYEE BENEFITS - NRECA GROUP LIF					
0 926.02	619,245.97	749,692.91	629,109.00	74,474.57	52,425.00
EMPLOYEE PENSIONS & BNFTS - HEALTH					
0 926.03	969,590.46	853,114.60	914,945.00	1,695.78	9,149.00
EMPLOYEE PENSIONS & BNFTS - NRECA R					
0 926.04	38,815.00	44,203.88	36,000.00	6,841.90	3,000.00
EMPLOYEE PENSIONS & BNFTS - NRECA S					
0 926.05	0.00	0.00	0.00	0.00	0.00
EMPLOYEE PENSIONS & BNFTS - CREDIT U					
0 926.06	139,798.00	144,000.00	188,088.00	12,000.00	15,674.00
EMPLOYEE PENSIONS & BNFTS - POSTRET					
0 926.07	35,098.54	39,624.41	40,680.00	10,678.14	3,390.00
EMPLOYEE BENEFITS - CLOTHING ALLO					
0 926.08	24,885.25	28,748.44	25,524.00	1,692.84	2,127.00
EMPLOYEE BENEFITS - VISION CARE EXP					
0 926.09	0.00	0.00	0.00	0.00	0.00
MEDICAL SAVINGS ACCOUNT EXPENSE					
0 926.10	0.00	0.00	0.00	0.00	0.00
DAY CARE SAVINGS ACCOUNT EXPENSE					
0 926.11	17,672.00	8,991.44	21,708.00	701.51	1,809.00
EMPLOYEE BENEFITS - DEFERRED COMP					
0 928.0	31,998.84	8,417.64	33,279.00	0.00	0.00
REGULATORY COMMISSION EXPENSE					
0 930.0	143,607.65	131,078.92	152,808.00	21,838.00	12,734.00
MISC GENERAL EXPENSE - ADM					
0 930.01	183,406.04	265,070.12	192,420.00	25,674.29	16,035.00
MISC GENERAL EXPENSE - DIRECTORS					
0 930.02	272,462.24	327,412.77	281,244.00	59,647.78	23,437.00
MISC GENERAL EXPENSES - TRAINING					
0 930.03	49,978.38	16,069.82	70,260.00	0.00	5,855.00
MISC GEN EXP - US BANK VISA CARDS					
0 930.04	49,918.29	82,564.96	50,568.00	31,475.00	506.00
MISC GENERAL EXPENSES - MEMBERSHIP					
0 930.05	23,307.24	51,792.92	31,428.00	-488.22	2,619.00
MISC GENERAL EXPENSES - ADVERTISIN					
0 930.06	94,061.07	76,082.30	97,620.00	8,933.81	8,135.00
MISC GENERAL EXPENSES - TRAVEL					
0 930.07	7,732.29	11,543.71	9,108.00	-700.00	759.00
MIS GEN EXP - SPONSORSHIPS, PROMO A					
0 931.0	0.00	0.00	0.00	0.00	0.00
RENTS					

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INCOME STATEMENT FOR DEC 2014

Item	Year - To - Date		Period - To - Date	
	Last Year	This Year	Current	Budget
11. Administrative and General Expense				
0 932.0 MAINTENANCE OF GENERAL PLANT	277,598.49	213,864.30	18,812.61	19,384.00
0 932.01 MAINT OF GENERATOR - BARNEY TOP	0.00	1,085.76	0.00	59.00
Total for Line 11:	4,518,598.09	4,655,920.64	426,578.03	347,701.29
12. Total Operation & Maintenance Expense (2 thru 11)	16,145,346.67	15,673,189.65	852,890.43	1,420,200.29
13. Depreciation & Amortization Expense				
0 403.2 DEPREC OF OTHER PRODUCTION PLT - UT	31,918.20	31,918.20	2,659.85	2,660.00
0 403.21 DEPREC EXP - IRC DIESEL GENERATORS -	15,857.76	15,857.76	1,321.47	1,321.00
0 403.3 DEPREC OF HYDRAULIC PRODUCTION PL	0.00	0.00	0.00	0.00
0 403.31 DEPREC OF HYDRAULIC PLT - BOULDER -	74,572.26	69,213.75	4,039.04	6,463.00
0 403.32 DEPREC OF HYDRAULIC PLT - L BOULDE	34,420.02	34,399.97	2,858.32	2,868.00
0 403.5 DEPREC OF TRANSMISSION PLANT - UT	465,595.90	467,329.00	38,944.21	40,303.00
0 403.51 DEPREC OF TRANSMISSION PLT - BOULDE	0.00	0.00	0.00	0.00
0 403.52 DEPREC OF TRANSMISSION PLANT - AZ	0.00	0.00	0.00	0.00
0 403.6 DEPREC OF DISTRIBUTION PLANT - UT	1,463,720.67	1,541,827.85	129,687.03	123,549.00
0 403.61 DEPREC OF DISTRIBUTION PLANT - AZ	142,376.19	147,683.27	12,686.98	12,205.00
0 403.7 DEPRECIATION OF GENERAL PLANT - UT	593,343.28	586,523.82	47,655.23	51,117.00
0 403.8 DEPRECIATION EXPENSE - LP GAS EQUIPM	0.00	0.00	0.00	0.00
Total for Line 13:	2,821,804.28	2,894,753.62	239,852.13	240,486.00
14. Tax Expense - Property				
0 408.1 PROPERTY TAX EXPENSE	566,006.74	633,593.41	48,407.97	54,679.00
Total for Line 14:	566,006.74	633,593.41	48,407.97	54,679.00
15. Tax Expense - Other				
0 408.2 FEDERAL UNEMPLOYMENT TAX EXPENS	0.00	0.00	0.00	0.00
0 408.3 FICA TAX EXPENSE	1,284.84	1,421.31	-0.18	61.00
0 408.4 STATE UNEMPLOYMENT TAX EXPENSE	3.04	9.55	4.02	0.00
0 408.5 STATE SALES & USE TAX EXPENSE	21,197.57	20,071.94	176.37	3,498.00
0 408.6 OTHER TAX EXPENSE	34,231.32	24,488.15	256.69	3,246.00
Total for Line 15:	56,716.77	45,990.95	436.90	6,805.00
16. Interest on Long-Term Debt				
0 427.1 INTEREST ON REA LONG-TERM DEBT	0.00	0.00	0.00	0.00
0 427.2 INTEREST ON NRUCFC LONG-TERM DEBT	1,330,259.14	1,380,348.08	117,984.39	112,667.00
Total for Line 16:	1,330,259.14	1,380,348.08	117,984.39	112,667.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00

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18. Interest Expense - Other					
0 431.0 OTHER INTEREST EXPENSE	19,770.29	19,712.70	26,856.00	1,695.15	2,238.00
Total for Line 18:	19,770.29	19,712.70	26,856.00	1,695.15	2,238.00
19. Other Deductions					
0 425.0 MISCELLANEOUS AMORTIZATION	0.00	0.00	0.00	0.00	0.00
0 426.1 DONATIONS	17,275.00	13,840.00	18,348.00	100.00	1,529.00
0 426.11 SCHOLARSHIP AWARDS & DONATIONS	9,934.00	11,750.00	18,550.00	250.00	2,650.00
0 426.4 EXPENDITURES FOR CIVIC & POLITICAL	0.00	0.00	0.00	0.00	0.00
0 426.5 OTHER DEDUCTIONS	0.00	0.00	0.00	0.00	0.00
0 428.1 AMORTIZATION OF LOSS ON REACQUIRE	0.00	0.00	0.00	0.00	0.00
0 430.0 INTEREST EXPENSE - SHORT-TERM DEBT	0.00	0.00	0.00	0.00	0.00
Total for Line 19:	27,209.00	25,590.00	36,898.00	350.00	4,179.00
20. Total Cost of Electric Service (12 thru 19)	20,967,112.89	20,673,178.41	21,787,952.00	1,261,616.97	1,841,254.29
21. Patronage Capital & Operating Margins (1 minus 20)	2,759,055.97	2,310,220.94	2,380,633.00	651,397.15	425,341.71
22. Non Operating Margins - Interest					
0 419.0 INTEREST AND DIVIDEND INCOME	41,437.48	35,675.65	41,412.00	2,454.07	3,451.00
Total for Line 22:	41,437.48	35,675.65	41,412.00	2,454.07	3,451.00
23. Allowance for Funds Used During Construction					
24. Income (Loss) from Equity Investments					
25. Non Operating Margins - Other					
0 415.0 REVENUE FROM CONTRACT WORK - FRE	30,279.76	47,131.45	58,692.00	9,484.80	4,891.00
0 415.01 REVENUE FROM MISC SALES & CONTRAC	0.00	0.00	0.00	0.00	0.00
0 415.02 REVENUE FROM KANE CO WATER CONSE	3,779.35	2,755.14	3,348.00	200.00	279.00
0 415.03 REV FROM SALES OF FIREPLACES & HEA	7,804.61	8,683.06	7,332.00	0.00	611.00
0 415.04 NET FROM INSTALLING NET METERING S	0.00	1,658.03	720.00	1,538.03	60.00
0 415.05 REVENUE FROM FREDONIA ELECT UPGR	185,231.42	38,722.25	24,996.00	0.00	2,083.00
0 416.0 COST & EXPENSE OF CONTRACT WORK -	-49,851.62	-36,370.08	-36,360.00	-14,539.06	-3,030.00
0 416.01 COST OF SALES & EXPENSE OF MISC CON	0.00	0.00	0.00	0.00	0.00
0 416.02 EXPENSE FOR KANE CO WATER CONSER	-1,965.96	-1,087.69	-2,088.00	-995.19	-174.00
0 416.03 COST OF MERCHANDISING FIREPLACES &	-7,576.15	-12,049.07	-10,656.00	0.00	-888.00
0 416.04 COST TO INSTALL NET METERING SERVI	-544.40	-1,370.21	-1,848.00	-363.85	-154.00
0 416.05 COST & EXP OF FREDONIA ELECT UPGRD	-148,582.22	-28,700.69	-24,996.00	0.00	-2,083.00
0 418.0 NONOPERATING RENTAL INCOME	0.00	0.00	0.00	0.00	0.00
0 421.0 NONOPERATING INCOME - UT IMPACT FEE	290,743.02	319,354.20	272,921.00	319,354.20	272,921.00

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INCOME STATEMENT FOR DEC 2014

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
25. Non Operating Margins - Other					
0 421.01 NONOPERATING INCOME - AZ IMPACT FEE	17,205.80	20,658.00	10,129.00	19,839.00	10,129.00
0 421.1 GAIN ON DISPOSITION OF PROPERTY	135,407.87	21,096.23	69,852.00	0.00	5,821.00
0 421.11 MISC NONOPERATING INCOME - GAIN RU	54,948.24	54,948.24	54,948.00	4,579.02	4,579.00
0 421.2 LOSS ON DISPOSITION OF PROPERTY	0.00	0.00	-1,584.00	0.00	-132.00
Total for Line 25:	516,879.72	435,428.86	425,406.00	339,096.95	294,913.00
26. Generation and Transmission Capital Credits					
0 423.0 GENERATION & TRANSMISSION COOP CA	6,819.00	6,819.00	7,092.00	6,819.00	7,092.00
Total for Line 26:	6,819.00	6,819.00	7,092.00	6,819.00	7,092.00
27. Other Capital Credits and Patronage Dividends					
0 424.0 OTHER CAPITAL CRS & PATRONAGECAPI	133,632.70	144,704.01	144,811.00	11,582.00	1,448.00
Total for Line 27:	133,632.70	144,704.01	144,811.00	11,582.00	1,448.00
28. Extraordinary Items					
0 434.0 EXTRAORDINARY INCOME	0.00	0.00	0.00	0.00	0.00
0 434.1 GAIN ON CURTAILMENT	0.00	1,025,578.52	0.00	1,025,578.52	0.00
0 435.0 EXTRAORDINARY ITEMS	0.00	0.00	0.00	0.00	0.00
0 435.1 EXTRA-ORDINARY DEDUCTIONS	0.00	0.00	0.00	0.00	0.00
Total for Line 28:	0.00	1,025,578.52	0.00	1,025,578.52	0.00
29. Patronage Capital or Margins (21 thru 28)					
Operating - Margin	3,457,824.87	3,958,426.98	2,999,354.00	2,036,927.69	732,245.71
Non Operating - Margin	2,899,507.67	3,487,322.47	2,532,536.00	1,695,376.67	433,881.71
Times Interest Earned Ratio - Operating	558,317.20	471,104.51	466,818.00	341,551.02	298,364.00
Times Interest Earned Ratio - Net	3.07	2.67			
Times Interest Earned Ratio - Modified	3.60	3.87			
	3.49	3.76			

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PARAMETERS ENTERED:

Period: DEC 2014
Standard Financial: CFC Form 7
Group By: All
Division: All
Department: All
Format: Detail
Include Departments: No
Round To Whole Dollars: No
Report Basis: Fiscal Year
Budget Revision: Highest
Financial And Statistical Data: No
Compare: Budget

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BALANCE SHEET FOR DEC 2014

ASSETS AND OTHER DEBITS

1. Total Utility Plant in Service

	Last Year	This Year	Variance
0 301.0 ORGANIZATION COSTS - UTAH	0.00	0.00	0.00
0 301.1 ORGANIZATION COSTS - ARIZONA	0.00	0.00	0.00
0 302.0 FRANCHISES AND CONSENTS - UTAH	0.00	0.00	0.00
0 302.1 FRANCHISES AND CONSENTS - ARIZONA	0.00	0.00	0.00
0 303.0 MISCELLANEOUS INTANGIBLE PLANT - U	0.00	0.00	0.00
0 303.1 MISCELLANEOUS INTANGIBLE PLANT - A	0.00	0.00	0.00
0 330.0 LAND & LAND RIGHTS - HYDRAULIC PRO	0.00	0.00	0.00
0 330.01 LAND & LAND RIGHTS - HYDRO - BOULD	0.00	0.00	0.00
0 330.02 LAND & LAND RIGHTS - LOWER BOULDE	300,450.09	300,450.09	0.00
0 331.01 STRUCTURES & IMPROVEMENTS - BOULD	27,850.00	27,850.00	0.00
0 331.02 STRUCTURES & IMPROVEMENTS - L BOU	144,554.59	144,554.59	0.00
0 332.01 RESERVOIRS, DAMS & WATERWAYS - BO	365,574.53	365,574.53	0.00
0 332.02 RESERVOIRS, DAMS & WATERWAYS - LO	2,531,004.47	2,531,004.47	0.00
0 333.01 WATER WHEELS, TURBINES & GENERATO	691,257.01	691,257.01	0.00
0 333.02 WATER WHEELS, TURBINES, & GENERAT	922,208.07	922,208.07	0.00
0 334.01 ACCESSORY ELECTRIC EQUIP - BOULDER	441,830.94	441,830.94	0.00
0 334.02 ACCESSORY ELECTRIC EQUIPMENT - L BO	147,785.79	147,785.79	0.00
0 335.01 MISC POWER PLANT EQUIP - BOULDER #2	82,299.21	82,299.21	0.00
0 335.02 MISC POWER PLANT EQUIPMENT - L BOU	20,792.88	20,792.88	0.00
0 336.01 ROADS, RAILROADS & BRIDGES - BOULD	15,185.80	15,185.80	0.00
0 336.02 ROADS, RAILROADS, & BRIDGES - LOWER	32,921.05	32,921.05	0.00
0 344.0 GENERATORS	115,020.30	115,020.30	0.00
0 344.5 IRC GENERATORS - AZ	585,300.00	585,300.00	0.00
0 345.0 ACCESSORY ELECTRIC EQUIPMENT - OTH	317,155.53	317,155.53	0.00
0 350.0 LAND & LAND RIGHTS - TRANSMISSION P	272,061.12	272,061.12	0.00
0 350.01 LAND & LAND RIGHTS - TRANS. - BOULD	2,335,669.45	2,353,319.45	17,650.00
0 351.0 CLEARING LAND, & ROW - TRANS PLT - U	405.61	405.61	0.00
0 351.1 CLEARING LAND, & ROW - TRANS PLT - A	4,637.09	4,637.09	0.00
0 352.0 STRUCTURES & IMPROV - TRANS PLANT -	21,480.35	21,480.35	0.00
0 353.0 STATION EQUIP, BOULDER PROJ #2219 - U	41,920.05	41,920.05	0.00
0 353.01 STATION EQUIP - HENRIEVILLE TEL, TRA	55,264.84	55,264.84	0.00
0 353.02 STATION EQUIP, HENRIEVILLE SUB TRAN	59,132.84	59,132.84	0.00
0 353.03 STATION EQUIP, PARRIA TEL, TRANS PLT -	1,070,596.39	1,070,596.39	0.00
0 353.04 STATION EQUIP - SIGURD SUB - UT	37,230.30	37,230.30	0.00
0 353.05 STATION EQUIP - BUCKSKIN SUB - UT	241,623.99	241,623.99	0.00
0 353.06 STATION EQUIP - 138/69 KV PORT TRANS -	1,079,202.10	1,079,202.10	0.00
	546,903.17	546,903.17	0.00

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BALANCE SHEET FOR DEC 2014

	Last Year	This Year	Variance
1. Total Utility Plant in Service			
0 353.1 STATION EQUIP - TRANS PLANT - AZ	0.00	0.00	0.00
0 354.0 STEEL TOWERS, FIXTURES - TRANS PLT -	0.00	0.00	0.00
0 354.1 STEEL TOWERS & FIX - TRANS PLT - AZ	35,371.27	35,371.27	0.00
0 355.0 POLES & FIXTURES - TRANS PLANT - UT	8,326,117.31	8,326,117.31	0.00
0 355.01 POLES & FIXTURES - BOULDER #2219 - UT	124,637.48	124,637.48	0.00
0 355.1 POLES & FIXTURES - TRANS PLT - AZ	152,451.47	152,451.47	0.00
0 356.0 OH CONDUCTORS & DEVICES - TRANS PL	5,662,522.64	5,662,607.80	85.16
0 356.01 OH CONDUCT & DEVICES - BOULDER 2219 -	144,367.22	144,367.22	0.00
0 356.1 OH CONDUCT & DEVICES - TRANS PLT - A	138,824.79	138,824.79	0.00
0 358.0 UNDERGROUND CONDUCTORS & DEVICE	0.00	0.00	0.00
0 359.0 ROADS & TRAILS - TRANS. PLANT - UTAH	23,982.75	23,982.75	0.00
0 360.0 LAND & LAND RIGHTS - DIST. PLANT - UT	598,974.94	598,974.94	0.00
0 360.1 LAND & LAND RIGHTS - DIST. PLANT - AR	40,374.88	40,374.88	0.00
0 361.0 STRUCTURES & IMPROVE - DIST PLT - UT	0.00	0.00	0.00
0 361.1 STRUCTURES & IMPROVE - DIST PLT - AZ	0.00	0.00	0.00
0 362.0 STATION EQUIP BOULBER SUB - DIST PLT	488,344.13	488,344.13	0.00
0 362.01 STATION EQUIP - BRYCE CYN SUB - DIST -	389,407.33	389,407.33	0.00
0 362.02 STATION EQUIP - ESCALANTE SUB - DIST	237,728.32	237,728.32	0.00
0 362.03 STATION EQUIP - HANKSVILLE SUB-DIST	168,205.99	168,205.99	0.00
0 362.04 STATION EQUIP - HATCH SUB - DIST -UT	2,194,267.29	2,194,267.29	0.00
0 362.05 STATION EQUIP - HATCH MT SUB - DIST -	111,915.97	111,915.97	0.00
0 362.06 STATION EQUIP - JOHNSON CYN SUB - DIS	105,580.79	105,580.79	0.00
0 362.07 STATION EQUIP - 34.5 KV PORTABLE SUB	135,111.85	135,111.85	0.00
0 362.08 STATION EQUIP - LYMAN SUB - DIST - UT	251,588.89	251,588.89	0.00
0 362.09 STATION EQUIP - ORDERVILLE SUB -DIST	163,962.85	163,962.85	0.00
0 362.1 STATION EQUIP - PAHREAH HOLLOW SUB	21,206.22	21,206.22	0.00
0 362.11 STATION EQUIP - PARIA SUB - DIST -UT	279,776.80	279,776.80	0.00
0 362.12 STATION EQUIP - PARKER MT.SUB - DIST	363,589.01	363,589.01	0.00
0 362.13 STATION EQUIP - CITATION SUB - DIST UT	199,456.47	199,456.47	0.00
0 362.14 STATION EQUIP - TORREY SUB - DIST - UT	10,931.93	10,931.93	0.00
0 362.15 STATION EQUIP - TROPIC SUB - DIST - UT	114,517.02	114,517.02	0.00
0 362.16 STATION EQUIP - 69/12.5 PORTABLE SUB	171,630.46	171,630.46	0.00
0 362.17 STATION EQUIP - HILDALE SUB - DIST - U	92,551.68	148,238.63	55,686.95
0 362.18 STATION EQUIP - KCR SUB - DIST - UT	1,022,141.74	1,038,397.06	16,255.32
0 362.19 STATION EQUIP - BICKNELL SUB - DIST -	449,677.87	449,677.87	0.00
0 362.2 STATION EQUIP - SPRY SUB - DIST - UT	132,542.92	150,016.15	17,473.23
0 362.21 STATION EQUIP - SWAINS CREEK SUB - U	86,740.67	86,740.67	0.00

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BALANCE SHEET FOR DEC 2014

1. Total Utility Plant in Service

	Last Year	This Year	Variance
0 362.22 STATION EQUIP - KANAB CITY SUB - UT	286,780.72	547,213.02	260,432.30
0 362.23 STATION EQUIP - DUCK CREEK SUB - UT	500,168.51	537,923.20	37,754.69
0 362.24 STATION EQUIP - TODD'S JCT SUB - UT	1,779,175.81	1,779,175.81	0.00
0 362.25 STATION EQUIP - TWIN CITIES SUB - UT	1,502,009.76	1,502,009.76	0.00
0 362.26 STATION EQUIP - 8 MILE GAP SUB - UT	1,143,006.77	1,143,006.77	0.00
0 362.27 STATION EQUIP - 67/34.5 MOBILE SUB - UT	916,794.33	916,794.33	0.00
0 362.28 STATION EQUIP - ZIONVIEW SUB - UT	0.00	595,979.77	595,979.77
0 362.5 STATION EQUIP - COLO CITY SUB - AZ	142,452.52	142,452.52	0.00
0 362.51 STATION EQUIP - FREDONIA SUB - AZ	638,160.27	638,160.27	0.00
0 362.52 STATION EQUIP - RYAN SUB - AZ	154,634.34	154,634.34	0.00
0 362.53 STATION EQUIP - HACK CANYON SUB - A	0.00	0.00	0.00
0 362.54 STATION EQUIP - PIGEON CYN SUB - AZ	0.00	0.00	0.00
0 364.0 POLES, TOWERS, FIXTURES - DIST PLT - U	8,849,953.33	9,077,540.92	227,587.59
0 364.1 POLES, TOWERS, FIXTURES - DIST PLT - A	1,249,719.62	1,372,516.93	122,797.31
0 365.0 OH CONDUCTORS & DEVICES - DIST PLT -	9,938,727.55	10,172,646.71	233,919.16
0 365.1 OH CONDUCTORS & DEVICES - DIST PLT -	1,272,625.52	1,400,055.69	127,430.17
0 366.0 UNDERGROUND CONDUIT - DIST PLT - UT	147,399.35	151,923.12	4,523.77
0 366.1 UNDERGROUND CONDUIT - DIST PLT - AZ	10,071.64	10,497.07	425.43
0 367.0 UG CONDUCTORS & DEVICES - DIST PLT -	3,328,326.17	3,491,437.90	163,111.73
0 367.1 UG CONDUCTORS & DEVICES - DIST PLT -	85,425.94	102,915.60	17,489.66
0 368.0 LINE TRANSFORMERS - DIST PLANT - UT	10,194,992.93	10,425,829.13	230,836.20
0 368.1 LINE TRANSFORMERS - DIST PLANT - AZ	790,563.11	792,392.42	1,829.31
0 369.0 SERVICES - DIST PLANT - UT	2,779,573.38	2,865,312.90	85,739.52
0 369.1 SERVICES - DIST PLANT - AZ	349,435.63	359,357.82	9,922.19
0 370.0 METERS - DIST PLANT - UT	2,211,889.31	2,448,395.85	236,506.54
0 370.1 METERS - DIST PLANT - AZ	125,966.88	125,966.88	0.00
0 371.0 INSTALL ON CUST PREMISES - DIST PLT -	114,380.34	116,528.92	2,148.58
0 371.1 INSTALL ON CUST PREMISES - DIST PLT -	7,155.37	8,375.62	1,220.25
0 373.0 STREET LIGHTS & SIGNAL SYS - DIST PLT	99,574.10	99,756.71	182.61
0 373.1 STREET LIGHTS & SIGNAL SYS - DIST PLT	8,104.71	8,104.71	0.00
0 389.0 LAND & LAND RIGHTS - GEN PLANT - UT	663,588.93	663,588.93	0.00
0 390.0 STRUCTURES & IMPROVEMENTS - GEN PL	3,555,849.98	3,555,849.98	0.00
0 391.0 OFFICE FURNITURE & EQUIP - GEN PLT -	949,712.27	1,011,044.40	61,332.13
0 392.1 TRANSPORT EQUIP - AUTO'S - UT	39,181.29	39,181.29	0.00
0 392.2 TRANSPORT EQUIP - LIGHT TRUCKS - UT	1,655,375.30	1,850,170.90	194,795.60
0 392.3 TRANSPORT EQUIP - HEAVY TRUCKS - UT	65,405.06	65,405.06	0.00
0 392.4 TRANSP EQUIP - TRAILERS, SNOWMOBILE	943,038.61	965,857.55	22,818.94

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BALANCE SHEET FOR DEC 2014

	Last Year	This Year	Variance
1. Total Utility Plant in Service			
0 393.0 STORES EQUIPMENT - GENERAL PLANT -	0.00	0.00	0.00
0 394.0 TOOLS, SHOP, GARAGE EQUIP - GEN PLT	81,422.40	81,422.40	0.00
0 395.0 LABORATORY EQUIP - GEN PLANT - UT	482,947.44	482,947.44	0.00
0 396.0 POWER OPERATED EQUIP - GEN PLT - UT	4,366,643.27	4,422,596.13	55,952.86
0 397.0 COMMUNICATION EQUIP - GEN PLT - UT	282,235.73	282,235.73	0.00
0 397.01 COMMUNICATION EQUIP - BOULDER #221	0.00	0.00	0.00
0 397.02 COMMUNICATION EQUIP - SCADA SYS - U	270,417.82	270,417.82	0.00
0 398.0 MISCELLANEOUS EQUIPMENT - GEN PLT -	588,033.46	588,033.46	0.00
Total for Line 1:	97,516,737.98	100,318,624.95	2,801,886.97
2. Construction Work in Progress			
0 107.2 CONSTRUCTION WORK IN PROGRESS	4,888,107.61	8,037,382.11	3,149,274.50
0 107.21 CONST. WORK-IN-PROGRESS - OVERHEA	0.00	0.00	0.00
0 107.22 CONST. WORK IN PROGRESS - ARIZONA	0.00	0.00	0.00
0 107.3 CONST. WORK-IN-PROGRESS - SPECIAL E	18,761.00	0.00	-18,761.00
Total for Line 2:	4,906,868.61	8,037,382.11	3,130,513.50
3. Total Utility Plant (1 + 2)	102,423,606.59	108,356,007.06	5,932,400.47
4. Accum. Provision for Depreciation and Amort.			
0 108.2 ACC PROV FOR DEPREC-OTHER PRODUCT	-427,578.68	-459,496.88	-31,918.20
0 108.21 ACC PROV FOR DEPREC - IRC GENERATO	-108,362.04	-124,219.80	-15,857.76
0 108.3 ACC PROV FOR DEPREC - HYDRO PLANT -	0.00	0.00	0.00
0 108.31 ACC PROV FOR DEPREC BOULDER HYDR	-2,372,856.72	-2,442,070.47	-69,213.75
0 108.32 ACC PROV FOR DEPREC - LOW BOULDER	-648,980.51	-683,380.48	-34,399.97
0 108.33 GAIN/LOSS RETIREMENT OF BOULDER H	0.00	0.00	0.00
0 108.5 ACCUM PROV DEPREC - TRANS PLANT - U	-7,384,020.80	-7,851,349.80	-467,329.00
0 108.51 ACC PROV FOR DEPREC - TR PLANT BOUL	-383,402.38	-383,402.38	0.00
0 108.52 ACC PROV FOR DEPREC - TRANS PLANT -	-323,752.86	-323,752.86	0.00
0 108.53 GAIN LOSS RETIREMENT TRANS PLANT - U	0.00	0.00	0.00
0 108.54 GAIN LOSS RETIREMENT TRAN PLT - ARI	0.00	0.00	0.00
0 108.6 ACC PROV FOR DEPREC - DIST PLANT - U	-18,018,352.53	-19,449,748.79	-1,431,396.26
0 108.61 ACC PROV FOR DEPREC - DIST PLANT - A	-2,366,511.22	-2,482,478.20	-115,966.98
0 108.62 ACC PROV DEP-NET LOSS/GAIN WO SYS U	2,560,971.35	2,594,738.93	33,767.58
0 108.63 ACC PROV DEP-NET LOSS/GAIN WO SYS-A	72,172.59	83,726.31	11,553.72
0 108.7 ACC PROV FOR DEPREC - GEN PLANT - UT	-1,297,278.09	-1,388,136.17	-90,858.08
0 108.71 ACC PROV FOR DEPREC - GEN OFF PLT - U	-711,488.60	-802,577.59	-91,088.99
0 108.72 ACC PROV FOR DEPREC TRANS EQUIP AU	-20,314.92	-27,431.22	-7,116.30
0 108.73 ACC PROV FOR DEP TRANS EQUIP LT TRK	-1,194,048.05	-1,322,460.84	-128,412.79

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BALANCE SHEET FOR DEC 2014

4. Accum. Provision for Depreciation and Amort.			
	Last Year	This Year	Variance
0 108.74 ACC PROV FOR DEPR TRANS EQUIP-HEAV	-65,405.06	-65,405.06	0.00
0 108.75 ACC PROV FOR DEP TRANS EQUIP TRAILER	-656,327.43	-708,348.96	-52,021.53
0 108.76 ACC PROV FOR DEPREC-TOOLS,GARAGE,	-56,154.26	-62,234.69	-6,080.43
0 108.77 ACC PROV FOR DEPREC- LAB EQUIP - UT	-355,074.61	-384,478.07	-29,403.46
0 108.78 ACC PROV FOR DEPREC - COMM EQUIP -	-200,748.51	-215,817.66	-15,069.15
0 108.79 ACC PROV FOR DEP - COMM EQUIP BOUL	0.00	0.00	0.00
0 108.8 RETIREMENT WORK-IN-PROGRESS	14,992.51	33,238.00	18,245.49
0 108.81 RETIREMENT WORK-IN-PROGRESS -CONT	0.00	0.00	0.00
0 108.82 RETIREMENT WORK-IN-PROGRESS - OVE	0.00	0.00	0.00
0 108.83 RETIREMENT WORK-IN-PROGRESS - ARIZ	0.00	0.00	0.00
0 108.9 ACC PROV FOR DEPREC - MISC EQUIP - UT	-436,433.02	-468,244.10	-31,811.08
0 108.91 ACC PROV FOR DEP - HEAVY EQUIPMENT	-3,169,697.93	-3,483,899.43	-314,201.50
0 108.92 ACC PROV FOR DEPREC - STORES EQUIP -	0.00	0.00	0.00
0 108.93 ACC PROV FOR DEPREC - SCANDA EQUIP	-243,991.46	-252,002.59	-8,011.13
0 108.94 ACC PROV FOR DEPREC - LP GAS EQUIPM	0.00	0.00	0.00
0 111.0 ACC PROV FOR AMORTIZATION - ELECTR	0.00	0.00	0.00
Total for Line 4:	-37,792,643.23	-40,669,232.80	-2,876,589.57
5. Net Utility Plant (3 - 4)	64,630,963.36	67,686,774.26	3,055,810.90
6. Non-Utility Property (Net)			
0 121.0 NON-UTILITY PROPERTY - LP GAS PLANT	0.00	0.00	0.00
0 121.01 PROPANE TANKS INVENTORY FOR RESAL	0.00	0.00	0.00
0 121.02 ACCTS RECEIVABLE - GARKANE PROPAN	0.00	0.00	0.00
0 122.0 ACC PROV FOR DEPRECIATION - LP GAS E	0.00	0.00	0.00
Total for Line 6:	0.00	0.00	0.00
7. Invest. in Subsidiary Companies			
0 123.12 INVESTMENT IN GARKANE PROPANE INC.	1,478,228.55	1,478,228.55	0.00
0 123.13 LONG TERM NOTES RECEIVABLE - GARK	0.00	0.00	0.00
0 123.14 UNDISTRIBUTED SUBSIDIARY EARNINGS	1,013,721.00	1,331,532.19	317,811.19
Total for Line 7:	2,491,949.55	2,809,760.74	317,811.19
8. Invest. in Assoc. Org. - Patronage Capital			
0 123.0 INVEST ASSOC ORGANIZATION - NRUCFC	679,873.25	739,612.94	59,739.69
Total for Line 8:	679,873.25	739,612.94	59,739.69
9. Invest. in Assoc. Org. - Other - General Funds			
0 123.01 INVEST IN ASSOC ORGANIZATION - LPAC	0.00	0.00	0.00
0 123.11 LONG TERM NOTES RECEIVABLE - D G &	0.00	0.00	0.00

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9. Invest. in Assoc. Org. - Other - General Funds	0.00	0.00	0.00
Total for Line 9:			
10. Invest. in Assoc. Org. - Other - Nongeneral Funds			
0 123.22 INVESTMENTS IN CAPITAL TERM CERTIFI	1,027,407.39	1,019,767.04	-7,640.35
0 123.23 OTHER INVEST. IN ASSOC. ORG. - NRUCFC	1,000.00	1,000.00	0.00
0 123.24 NRUCFC - MEMBER CAPITAL SECURITIES	50,000.00	50,000.00	0.00
0 123.25 OTHER INVESTMENTS - ECO	0.00	0.00	0.00
0 123.26 OTHER INVESTMENTS - GO SEVIER	0.00	0.00	0.00
Total for Line 10:	1,078,407.39	1,070,767.04	-7,640.35
11. Invest. in Economic Development Projects			
0 124.0 OTHER INVESTMENTS - ECONOMIC DEVE	0.00	0.00	0.00
Total for Line 11:	0.00	0.00	0.00
12. Other Investments			
13. Special Funds			
0 128.0 OTHER SPEC FUNDS-UNCLAIMED CAPTL	122,966.54	103,313.97	-19,652.57
0 128.01 OTHER SPECIAL FUNDS - ROUNDUP PROG	14,315.83	16,301.69	1,985.86
0 128.1 SPECIAL FUNDS - DEF COMP - CARL ALBR	129,512.85	138,222.17	8,709.32
0 128.11 SPECIAL FUNDS - DEF COMP - STAN CHAP	0.00	0.00	0.00
0 128.12 SPECIAL FUNDS - DEF COMP - MARION CH	39,533.61	44,834.19	5,300.58
0 128.13 SPECIAL FUNDS - DEF COMP - IRA M A VA	9,049.77	15,642.97	6,593.20
Total for Line 13:	315,378.60	318,314.99	2,936.39
14. Total Other Property & Investments (6 thru 13)	4,565,608.79	4,938,455.71	372,846.92
15. Cash - General Funds			
0 131.0 CASH - CACHE VALLEY BANK-GENERAL	327,326.26	1,306,200.85	978,874.59
0 131.01 CASH - ZIONS BANK - HATCH - GENERAL	95,956.55	223,794.08	127,837.53
0 131.02 CASH - SBSU TWIN CITIES FUND ACCOUNT	86,036.57	26,083.54	-59,953.03
0 131.1 CASH - GENERAL FUND - SBSU	726,325.37	1,275,060.48	548,735.11
0 131.11 CASH - PAYROLL ACCOUNT	250.00	250.00	0.00
0 131.12 CAPITAL CREDIT ALLOCATION FUND	105,542.95	104,217.40	-1,325.55
0 131.13 CASH - GENERAL FUND - ONLINE PAYME	90,512.27	42,116.12	-48,396.15
0 131.14 CASH - CREDIT CARD PAYMENT ACCOUNT	117,943.34	82,402.75	-35,540.59
0 131.15 CASH - HEALTH & VISION CARE FUND	22,647.63	11,547.53	-11,100.10
0 131.4 TRANSFER OF CASH - CLEARING ACCOUNT	0.00	0.00	0.00
0 135.0 WORKING FUND - PETTY CASH	1,500.21	1,350.00	-150.21
Total for Line 15:	1,574,041.15	3,073,022.75	1,498,981.60
16. Cash - Construction Funds - Trustee			

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16. Cash - Construction Funds - Trustee			
0 131.2 CASH - REA CONSTRUCTION FUND	0.00	0.00	0.00
Total for Line 16:	0.00	0.00	0.00
17. Special Deposits			
18. Temporary Investments			
0 136.0 TEMPORARY CASH INVESTMENTS	0.00	0.00	0.00
Total for Line 18:	0.00	0.00	0.00
19. Notes Receivable (Net)			
0 141.1 NOTES RECEIVABLE - SEVIER SMART SIT	0.00	0.00	0.00
Total for Line 19:	0.00	0.00	0.00
20. Accounts Receivable - Sales of Energy (Net)			
0 142.0 CONSUMER ACCTS RECEIVABLE - ELECT	2,333,025.35	2,052,236.68	-280,788.67
0 142.99 A/R DISC ACCTS WITH CREDIT BALANCE	0.00	2,171.05	2,171.05
0 144.1 ACCUM. PROV. FOR UNCOLLECTABLE CO	-95,172.24	-95,172.24	0.00
Total for Line 20:	2,237,853.11	1,959,235.49	-278,617.62
21. Accounts Receivable - Other (Net)			
0 142.1 CONSUMER ACCTS RECEIVABLE - RETUR	0.00	3,531.90	3,531.90
0 142.11 CONSUMER ACCTS RECEIVABLE - DISCO	100,351.26	123,040.58	22,689.32
0 142.12 CONSUMER ACCTS RECEIVABLE - COLLE	0.00	0.00	0.00
0 142.2 CONSUMER ACCTS RECEIVABLE - PROPA	0.00	0.00	0.00
0 142.21 ACCTS RECEIVABLE - PROPANE DISC ACC	0.00	0.00	0.00
0 143.0 OTHER ACCOUNTS RECEIVABLE	696,081.30	789,488.08	93,406.78
0 143.1 OTHER ACCOUNTS RECEIVABLE - EMPLO	0.00	-18.92	-18.92
0 143.11 ACCOUNTS RECEIVABLE OTHER - MISC	581,818.10	-0.90	-581,819.00
0 143.12 ACCTS RECEIVABLE - MISC CLEARING AC	0.00	0.00	0.00
0 143.13 EMPLOYEES ACCTS RECEIVABLE - AFLA	0.00	339.30	339.30
0 143.14 A/R EMPLOYEE NRECA LOANS	0.00	0.00	0.00
0 143.15 ACCOUNTS RECEIVABLE OTHER - CEO/G	0.00	0.00	0.00
0 143.2 MISC ACCTS RECEIVABLE - SKYLINE LU	0.00	0.00	0.00
0 143.21 ACCTS RECEIVABLE - AIC CONTRACTS	35,021.05	25,938.37	-9,082.68
0 143.3 ACCTS RECEIVABLE OTHER - GARKANE P	46,740.65	29,046.28	-17,694.37
0 143.4 ACCTS RECEIVABLE - FIREPLACE & HEAT	0.00	0.00	0.00
0 143.9 CLEARING ACCOUNT VOID BAD CHECKS	0.00	0.00	0.00
Total for Line 21:	1,460,012.36	971,364.69	-488,647.67
22. Renewable Energy Credits			
23. Material and Supplies - Electric & Other	0.00	0.00	0.00

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	Last Year	This Year	Variance
23. Material and Supplies - Electric & Other			
0 154.0 MATERIALS & SUPPLIES	2,855,748.37	2,753,029.01	-102,719.36
0 155.0 MERCHANDISE	34,419.00	39,350.82	4,931.82
0 163.0 STORES EXPENSE UNDISTRIBUTED	0.00	0.00	0.00
Total for Line 23:	2,890,167.37	2,792,379.83	-97,787.54
24. Prepayments			
0 165.0 PREPAYMENTS	0.00	0.00	0.00
0 165.1 PREPAID INSURANCE	88,191.00	87,331.25	-859.75
0 165.2 PREPAID ENERGY EFFICIENCY PROGRAM	0.00	0.00	0.00
0 165.3 PREPAID HSA CONTRIBUTIONS	0.00	0.00	0.00
Total for Line 24:	88,191.00	87,331.25	-859.75
25. Other Current and Accrued Assets			
0 171.0 INTEREST & DIVIDEND RECEIVABLES - C	6,346.16	6,346.16	0.00
0 171.1 INTEREST & DIVIDEND RECEIVABLE - OT	0.00	0.00	0.00
Total for Line 25:	6,346.16	6,346.16	0.00
26. Total Current and Accrued Assets (15 thru 25)	8,256,611.15	8,889,680.17	633,069.02
27. Deferred Debits			
0 183.0 PREM SURVEY & INVESTIGATION - MISC	0.00	0.00	0.00
0 183.01 PREM INVEST CHGS - LAKE POWELL PIPE	1,801.33	1,952.36	151.03
0 183.02 PRELIMINARY SUR & INVESTIGATION - W	6,560.17	12,824.22	6,264.05
0 183.03 PRELIMINARY COSTS - PANGUITCH CIT	554.68	554.68	0.00
0 183.04 PRELIMINARY INVESTIGATION - ARMAN	7,154.23	7,703.35	549.12
0 184.1 CLEARING ACCT. - TRANSPORTATION EX	0.00	0.00	0.00
0 184.11 CLEARING ACCT - PAYROLL DEDUCTION	0.00	0.00	0.00
0 184.12 CLEARING ACCT. - CASH FROM THE SALE	0.00	0.00	0.00
0 184.2 CLEARING ACCOUNT - EMPLOYEE HEALT	0.00	0.00	0.00
0 184.22 CLEARING ACCT - EMPLOYEES CONTR. 40	0.00	0.00	0.00
0 184.23 CLEARING ACCT - NRECA LOAN - EMPLO	0.00	-3,319.39	-3,319.39
0 184.24 CLEARING ACCT - EMPLOYEE MISC PAYR	0.00	-350.00	-350.00
0 184.25 CLEARING ACCT - CONNECT & COLLECTI	0.00	0.00	0.00
0 184.26 EMPLOYEE'S CONTR - NRECA SAVINGS	0.00	0.00	0.00
0 184.27 CLEARING ACCT - PAYROLL DEDUCT. CR	0.00	0.00	0.00
0 184.28 CLEARING ACCT. CONSUMER ACCTS REC	0.00	0.00	0.00
0 184.29 CLEARING ACCT - WHEELING REVENUE B	0.00	0.00	0.00
0 184.3 CLEARING ACCT - NRECA GROUP LIFE IN	0.00	-3,208.60	-3,208.60
0 184.31 CLEARING ACCT - HSA PAYROLL DEDUC	0.00	0.00	0.00
0 186.0 DEFERRED DEBITS - CAPITOL RESOURCE	0.00	0.00	0.00

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	Last Year	This Year	Variance
27. Deferred Debits			
0 186.01 DEFERRED COMPENSATION - CARL ALBR	0.00	0.00	0.00
0 186.1 DEFERRED DEBITS - PUBLIC UTILITY REG	0.00	0.00	0.00
0 189.1 UNAMORTIZED LOSS ON REACQUIRED D	0.00	0.00	0.00
Total for Line 27:	16,070.41	16,156.62	86.21
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	77,469,253.71	81,531,066.76	4,061,813.05

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LIABILITIES AND OTHER CREDITS

	Last Year	This Year	Variance
29. Memberships	0.00	0.00	0.00
30. Patronage Capital			
0 201.1 PATRON'S CAPITAL CREDITS	25,888,424.19	28,647,428.59	2,759,004.40
0 201.2 PATRONAGE CAPITAL ASSIGNABLE	3,457,824.87	4,657,247.45	1,199,422.58
Total for Line 30:	29,346,249.06	33,304,676.04	3,958,426.98
31. Operating Margins - Prior Years			
0 998.2 PROFIT CLEARING NON-OPERATING	-558,317.20	-471,104.51	87,212.69
Total for Line 31:	-558,317.20	-471,104.51	87,212.69
32. Operating Margins - Current Year			
0 998.1 PROFIT CLEARING OPERATING	-2,899,507.67	-3,487,322.47	-587,814.80
Current Fiscal Margins	2,899,507.67	3,487,322.47	587,814.80
Total for Line 32:	0.00	0.00	0.00
33. Non-Operating Margins			
0 219.1 OPERATING MARGINS	0.00	0.00	0.00
Current Fiscal Margins	558,317.20	471,104.51	-87,212.69
Total for Line 33:	558,317.20	471,104.51	-87,212.69
34. Other Margins and Equities			
0 208.1 DONATED CAPITAL	0.00	0.00	0.00
0 216.1 UNDISTRIBUTED SUBSIDIARY EARNINGS	1,013,721.00	1,331,532.19	317,811.19
0 217.0 RETIRED CAPITAL CREDITS - GAIN	0.00	0.00	0.00
0 219.2 NON-OPERATING MARGINS - SUBSIDIARY D	433,932.00	433,932.00	0.00
0 219.21 NONOPERATING MARGINS PRIOR YRS NO	4,841,860.35	4,841,860.35	0.00
0 219.4 OTHER MARGINS & EQUITIES - PRIOR	0.00	0.00	0.00
Total for Line 34:	6,289,513.35	6,607,324.54	317,811.19
35. Total Margins & Equities (29 thru 34)	35,635,762.41	39,912,000.58	4,276,238.17
36. Long-Term Debt - CFC (Net)			
0 123.21 OTHER INVESTMENTS - NRUCFC CAPITAL	0.00	0.00	0.00
0 224.11 OTHER LONG-TERM DEBT-SUBSCRIPT. CF	0.00	0.00	0.00
0 224.12 OTHER LONG-TERM DEBT - CFC	45,791,157.53	44,143,757.10	-1,647,400.43
0 224.13 CFC NOTES EXECUTED - DEBIT	-14,000,000.00	-12,000,000.00	2,000,000.00
0 224.14 OTHER LONG TERM DEBT - DG&T COMPR	0.00	0.00	0.00
0 224.15 CFC PRINCIPAL PAYMENTS - EXCESS AM	0.00	0.00	0.00
0 226.0 UNAMORTIZED DISCOUNT ON LONG-TER	0.00	0.00	0.00
Total for Line 36:	31,791,157.53	32,143,757.10	352,599.57

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	Last Year	This Year	Variance
37. Long-Term Debt - Other (Net)			
0 224.0 OTHER LONG TERM DEBT - RUS GUARAN	0.00	0.00	0.00
0 224.01 OTHER LONG TERM DEBT - UNADV RUS G	0.00	0.00	0.00
0 224.02 OTHER LONG TERM DEBT - KCWCD	0.00	0.00	0.00
0 224.16 LONG-TERM DEBT - RUS ECO DEV NOTES	0.00	0.00	0.00
0 224.3 LONG TERM DEBT - CONST. EXECUTED N	0.00	0.00	0.00
Total for Line 37:	0.00	0.00	0.00
38. Total Long-Term Debt (36 + 37)	31,791,157.53	32,143,757.10	352,599.57
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions			
0 228.29 ACCUM PROV FOR POST BENEFITS - RET	153,690.20	110,866.82	-42,823.38
0 228.3 ACCUMULATED PROV FOR PENSIONS & B	1,400,662.10	471,807.47	-928,854.63
0 228.31 ACC PROV DEF COMP - CARL ALBRECHT	129,512.85	138,222.17	8,709.32
0 228.32 ACC PROV DEF COMP - STAN CHAPPELL	0.00	0.00	0.00
0 228.33 ACC PROV DEF COMP - MARION CHAPPEL	39,533.61	44,834.19	5,300.58
0 228.34 ACC PROV DEF COMP - IRA M AVANT	9,049.77	15,642.97	6,593.20
Total for Line 40:	1,732,448.53	781,373.62	-951,074.91
41. Total Other Noncurrent Liabilities (39 + 40)	1,732,448.53	781,373.62	-951,074.91
42. Notes Payable	0.00	0.00	0.00
43. Accounts Payable			
0 232.1 ACCOUNTS PAYABLE - GENERAL	324,003.35	247,164.25	-76,839.10
0 232.11 ACCOUNTS PAYABLE - OTHER	1,832,287.72	1,466,836.62	-365,451.10
0 232.12 ACCOUNTS PAYABLE - UNCASHED GENE	5,353.66	5,353.66	0.00
0 232.13 ACCOUNTS PAYABLE OTHER - ROUNDUP	14,935.97	15,622.06	686.09
0 232.14 ACCOUNTS PAYABLE - VISION CARE FUN	0.00	0.00	0.00
0 232.15 ACCTS PAYABLE - UREA PAC FUND	0.00	0.00	0.00
0 232.16 A/P POST RET BENFITS - EMPLOYEES/DIR	39,440.90	79,612.24	40,171.34
Total for Line 43:	2,216,021.60	1,814,588.83	-401,432.77
44. Consumers Deposits			
0 235.0 CONSUMER DEPOSITS - ELECTRIC	691,549.91	681,077.68	-10,472.23
0 235.1 HOME RENTAL DEPOSITS	450.00	1,350.00	900.00
Total for Line 44:	691,999.91	682,427.68	-9,572.23
45. Current Maturities Long-Term Debt			
0 233.0 CURRENT MATURITIES LONG TERM DEBT	1,531,757.52	1,638,997.07	107,239.55
Total for Line 45:	1,531,757.52	1,638,997.07	107,239.55

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	Last Year	This Year	Variance
46. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
47. Current Maturities Capital Leases			
0 231.0 NOTES PAYABLE - D G & T - LPAC MEMBE	0.00	0.00	0.00
Total for Line 47:	0.00	0.00	0.00
48. Other Current and Accrued Liabilities			
0 236.1 ACCRUED PROPERTY TAXES	27,249.83	2,575.90	-24,673.93
0 236.2 ACCRUED FEDERAL UNEMPLOYMENT TA	96.14	0.00	-96.14
0 236.3 ACCRUED FICA TAX	0.00	0.00	0.00
0 236.4 ACCRUED STATE UNEMPLOYMENT TAX	157.08	0.00	-157.08
0 236.47 ACCRUED MUNICIPAL ENERGY SALES TA	0.00	31,111.65	31,111.65
0 236.49 ACCRUED KANAB CITY UTILITY GROSS R	0.00	0.00	0.00
0 236.5 ACCRUED UTAH STATE SALES TAX	0.00	63,493.60	63,493.60
0 236.51 ACCRUED UTAH RESORT TAX PAYABLE	0.00	0.00	0.00
0 236.52 ACCRUED ARIZONA STATE SALES TAX	0.00	0.00	0.00
0 236.53 ACCRUED MOHAVE CO UTILITY GROSS R	79,590.46	77,999.48	-1,590.98
0 237.1 ACCRUED INTEREST R.E.A. CONST. LOAN	0.00	0.00	0.00
0 237.2 ACCRUED INTEREST NRUCFU LOAN	110,735.50	126,387.75	15,652.25
0 237.3 ACCRUED INTEREST ON CONSUMER DEP	90,028.83	78,584.44	-11,444.39
0 238.1 PATRONAGE CAPITAL & PATRONAGE RE	177,150.64	176,900.17	-250.47
0 238.11 PATRONAGE CAPITAL CREDITS RETIRED	42,359.30	42,359.30	0.00
0 238.99 PATRONAGE CAP CREDITS RETIRED CLE	0.00	-8.28	-8.28
0 241.0 FEDERAL WITHHOLDING TAX	0.00	0.00	0.00
0 241.1 STATE WITHHOLDING TAX	19,025.82	0.00	-19,025.82
0 242.2 ACCRUED PAYROLL	0.00	-250.00	-250.00
0 242.3 EMPLOYEES ACCRUED PERSONAL LEAVE	1,092,928.95	1,061,474.38	-31,454.57
0 242.31 ACCRUED LIABILITY FOR COMPENSATED	102,019.16	102,019.16	0.00
0 242.32 DONATED PERSONAL LEAVE BANK - SPE	2,076.42	2,076.42	0.00
0 242.33 CURRENT LIABILITY - DEFERRED COMP	0.00	0.00	0.00
0 242.99 PAYROLL CLEARING ACCOUNT	3.20	3.20	0.00
Total for Line 48:	1,743,421.33	1,764,727.17	21,305.84
49. Total Current & Accrued Liabilities (42 thru 48)	6,183,200.36	5,900,740.75	-282,459.61
50. Deferred Credits			
0 253.0 OTHER DEFERED CRS-UNCLAIMED CAPT	120,566.54	103,338.97	-17,227.57
0 253.1 CONSUMER DONATION - WARM PROGRA	110.00	221.00	111.00
0 253.2 DEFERRED CREDITS - IMPACT FEES UTAH	1,415,687.84	1,382,545.48	-33,142.36
0 253.3 DEFERRED CREDITS - IMPACT FEES ARIZ	126,569.80	133,062.80	6,493.00
0 253.4 DEFERRED CREDITS - ENERGY EFFICIENC	0.00	765,224.00	765,224.00

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50. Deferred Credits			
0 257.0	463,750.70	408,802.46	-54,948.24
UNAMORTIZED GAIN ON REACQUIRED D			
	2,126,684.88	2,793,194.71	666,509.83
51. Total Liab. & Other Credits (35+38+41+49+50)	77,469,253.71	81,531,066.76	4,061,813.05
Total for Line 50:			

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INCOME STATEMENT FOR DEC 2013

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital					
0 440.2 SEASONAL RESIDENTIAL SALES - UT	0.00	0.00	0.00	0.00	0.00
0 440.3 RESIDENTIAL SALES - UTAH	8,626,965.30	9,331,595.40	9,058,313.56	939,982.79	873,216.54
0 440.31 RESIDENTIAL SALES - ARIZONA	2,288,772.86	2,452,513.15	2,403,211.51	219,525.77	206,476.17
0 441.0 IRRIGATION SALES - UTAH	359,201.92	369,167.24	377,162.01	3,957.49	3,591.56
0 441.1 IRRIGATION SALES - ARIZONA	42,782.23	41,578.87	44,921.35	1,028.04	1,426.92
0 442.1 SM COMMERCIAL & INDUSTRIAL SALES -	5,093,071.89	5,527,192.92	5,347,725.48	471,630.66	424,717.41
0 442.11 SM COMMERCIAL & INDUSTRIAL SALES -	1,341,229.97	1,437,080.69	1,408,291.47	118,281.51	95,851.38
0 442.2 LARGE COMMERCIAL & INDUSTRIAL SAL	1,377,938.90	1,507,825.80	1,446,835.87	138,620.00	120,105.41
0 442.21 LARGE COMMERCIAL & INDUSTRIAL SAL	0.00	0.00	0.00	0.00	0.00
0 444.0 PUBLIC STREET & HIGHWAY LIGHTING -	55,144.80	55,879.70	57,902.10	4,591.85	4,896.26
0 444.1 PUBLIC STREET & HIGHWAY LIGHTING -	9,901.68	9,901.68	10,396.80	825.14	866.40
0 445.0 OTHER SALES TO PUBLIC AUTHORITIES -	1,608,296.45	1,635,485.05	1,688,711.26	136,611.23	141,265.86
0 445.1 OTHER SALES TO PUBLIC AUTHORITIES -	384,141.69	378,753.73	403,348.76	27,909.42	29,668.47
0 450.0 FORFEITED DISCOUNTS -- COLLECTION F	30,011.11	36,823.16	31,511.67	3,092.27	2,571.88
0 451.0 MISC SERVICE REVENUE - UT CONNECT F	42,149.00	53,187.00	44,256.45	4,290.00	3,118.50
0 451.1 MISC SERVICE REVENUE - AZ CONNECT F	10,840.00	15,050.00	11,382.01	990.00	882.00
0 454.0 RENT FROM ELECTRIC PROPERTY	47,629.00	52,795.20	50,010.45	3,904.00	4,042.50
0 454.01 RENT REVENUE FROM HOME RENTAL PR	0.00	0.00	0.00	0.00	0.00
0 456.0 OTHER ELECTRIC REVENUE	63,302.09	113,434.73	66,467.19	40,153.73	5,684.94
0 456.01 ELECTRIC REVENUE FROM WHEELING C	658,188.82	693,405.41	691,098.26	129,365.73	154,772.13
0 456.02 OTHER ELECT REV - SCC SERVICE AGREE	0.00	0.00	0.00	0.00	0.00
0 456.03 MISC REVENUE GENERLINK SALES	14,005.83	14,499.13	14,706.12	1,485.00	1,749.12
Total for Line 1:	22,053,573.54	23,726,168.86	23,156,252.32	2,246,244.63	2,074,903.45
2. Power Production Expense					
0 535.0 OPERATION SUPERVISION & ENGINEERIN	0.00	0.00	0.00	0.00	0.00
0 536.0 WATER POWER RIGHTS & FERC LICENSE	68,682.25	187,643.23	72,116.35	30,077.87	1,366.23
0 537.0 HYDRAULIC EXPENSES	0.00	0.00	0.00	0.00	0.00
0 538.0 ELECTRIC EXPENSE	153,999.96	159,000.00	161,700.00	13,250.00	13,475.00
0 539.0 MISC HYDRAULIC POWER GENERATION	7,704.35	6,706.12	8,089.56	493.32	643.39
0 540.0 RENTS	0.00	0.00	0.00	0.00	0.00
0 542.0 MAINTENANCE OF STRUCTURES	7,793.37	0.00	8,183.05	0.00	0.00
0 543.0 MAINT RESERVOIRS, DAMS & WATERWA	14,216.12	13,204.97	14,926.93	2,907.03	1,458.01
0 544.0 MAINT OF ELECTRIC PLANT	76,998.30	149,811.08	80,848.22	4,788.98	2,256.83
0 545.0 MAINT MISC HYDRAULIC PLANT	0.00	0.00	0.00	0.00	0.00
0 546.0 OPER, SUPERVISION & ENGINEERING	0.00	0.00	0.00	0.00	0.00

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2. Power Production Expense				
0 547.0 FUEL	0.00	0.00	0.00	0.00
0 548.0 GENERATION EXPENSES	940.44	9,549.37	94.43	762.47
0 549.0 MISC OTHER GENERATING EXPENSE	16,134.52	330.65	0.00	4,746.00
0 550.0 RENTS - GENERATOR SITE LEASE	0.00	0.00	0.00	0.00
0 553.0 MAINT OF GENERATING & ELECTRIC EQU	15,078.06	7,172.56	1,480.24	12,787.61
Total for Line 2:	361,547.37	533,417.98	53,091.87	37,495.54
3. Cost of Purchased Power				
0 555.0 PURCHASED POWER	7,106,652.39	7,988,628.58	415,301.13	363,621.57
0 555.1 PURCHASED POWER - GREENWAY PROGR	3,721.85	1,825.07	0.00	0.00
0 556.0 SYSTEM CONTROL & LOAD DISPATCHING	58,916.90	57,680.69	1,760.06	2,211.17
0 557.0 OTHER EXPENSES	2,275.63	4,153.85	0.00	0.00
Total for Line 3:	7,171,566.77	8,052,288.19	417,061.19	365,832.74
4. Transmission Expense				
0 560.0 OPER SUPERVISION & ENGINEERING	0.00	0.00	0.00	0.00
0 561.0 LOAD DISPATCHING	53,135.43	52,150.57	4,558.94	2,680.66
0 562.0 STATION EXPENSES	14,553.26	21,068.93	5,045.32	1,335.97
0 563.0 OVERHEAD LINE EXPENSES	8,295.97	19,604.71	89.74	1,618.20
0 566.0 MISC TRANSMISSION EXPENSES	26,642.44	38,549.28	8,577.14	0.00
0 567.0 RENTS	1,151.00	0.00	0.00	0.00
0 570.0 MAINT OF STATION EQUIP	178,943.27	78,771.90	10,535.72	6,035.47
0 571.0 MAINT OF OVERHEAD LINES	114,209.49	44,780.70	10,526.64	501.08
Total for Line 4:	396,930.86	254,926.09	39,333.50	12,171.38
5. Regional Market Operations Expense	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation				
0 580.0 OPERATION SUPERVISION & ENGINEERING	30,940.26	31,859.71	2,739.14	2,864.52
0 581.0 LOAD DISPATCHING	29,600.27	37,215.34	2,044.21	2,178.21
0 582.0 STATION EXPENSE	13,100.40	14,498.05	3,054.28	522.02
0 583.0 OVERHEAD LINE EXPENSE	127,210.29	127,813.51	8,507.20	15,356.81
0 584.0 UNDERGROUND LINE EXPENSE	5,578.09	20,850.43	1,087.07	1,044.45
0 585.0 STREET LIGHTING & SIGNAL SYSTEM EX	7,891.09	7,510.38	197.27	1,198.48
0 586.0 METER EXPENSE	241,332.83	204,261.65	16,099.12	18,376.94
0 586.01 METER EXPENSE - TURTLE METERS	90,111.01	80,613.85	8,690.88	7,876.82
0 586.02 METER EXPENSE - PLX PILOT PROGRAM	0.00	0.00	0.00	0.00
0 587.0 CUSTOMER INSTALLATION EXPENSE	27,941.61	3,405.26	28.66	2,768.19

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6. Distribution Expense - Operation				
0 588.0 MISC DISTRIBUTION EXPENSE	257,761.77	286,788.79	27,130.68	22,366.69
0 589.0 RENTS, RIGHTS OF WAY	6,129.66	14,668.69	200.00	428.40
Total for Line 6:	837,597.28	829,485.66	69,778.51	74,981.53
7. Distribution Expense - Maintenance				
0 590.0 MAINT SUPERVISION & ENGINEERING	30,483.92	30,052.10	2,678.27	3,933.06
0 592.0 MAINT OF STATION EQUIP	208,264.57	155,043.06	10,990.66	9,197.67
0 593.0 MAINT OF OVERHEAD LINES	390,702.19	380,414.93	33,740.05	34,079.15
0 593.01 MAINT OF OVERHEAD LINES - TREE TRIM	120,778.78	51,449.16	12,936.29	5,174.22
0 594.0 MAINT OF UNDERGROUND LINES	127,991.31	105,688.22	4,845.56	7,822.73
0 594.01 MAINT URD LOCATES	67,440.43	62,308.09	3,514.01	5,960.18
0 595.0 MAINT OF LINE TRANSFORMERS	52,748.65	22,837.69	2,427.95	4,379.83
0 596.0 MAINT OF STREET LIGHTING & SIGNAL SYS	26,643.59	19,153.06	3,278.99	1,237.80
0 597.0 MAINTENANCE OF METERS	125,744.95	123,020.81	8,617.70	9,962.16
0 597.01 MAINT OF TURTLE METERS	0.00	212.64	0.00	0.00
0 598.0 MAINT OF MISC DISTRIBUTION PLANT	48,454.96	71,262.06	6,707.04	5,691.00
Total for Line 7:	1,199,253.35	1,021,441.82	89,736.52	87,437.80
8. Customer Accounts Expense				
0 901.0 CUSTOMER ACCOUNTS EXPENSE	14,629.09	7,471.98	190.45	1,373.23
0 902.0 METER READING EXPENSE	301,985.99	307,862.86	23,965.27	24,107.67
0 903.0 CUSTOMER RECORDS & COLLECTION EX	299,219.07	313,325.78	28,424.90	24,563.39
0 903.01 CUSTOMER RECORDS & COLLECT EXP - C	191,217.97	191,903.56	17,620.34	18,085.52
0 904.01 UNCOLLECTIBLE ACCOUNTS	12.50	0.00	0.00	0.00
0 905.0 MISC CUSTOMER ACCOUNTS EXPENSES	0.00	0.00	0.00	0.00
Total for Line 8:	807,064.62	820,564.18	70,200.96	68,129.81
9. Customer Service and Informational Expense				
0 907.0 CUSTOMER SERVICES - SUPERVISION	0.00	121.27	0.00	0.00
0 908.0 CUSTOMER ASSISTANCE EXPENSES	61,370.69	61,395.22	5,072.47	4,826.88
0 908.03 CUSTOMER ASSISTANCE - IRP	0.00	0.00	0.00	0.00
0 909.0 INFO & INSTRUCTIONAL ADVERTISING E	24,789.80	27,355.17	4,075.39	1,396.91
0 910.0 MISC CUST SERVICE & INFO EXPENSE	4,952.99	1,491.43	380.66	1,871.50
Total for Line 9:	91,113.48	90,363.09	9,528.52	8,095.29
10. Sales Expense				
0 912.0 DEMONSTRATING & SELLING EXPENSES	11,301.39	24,061.57	2,480.00	0.00
0 913.0 ADVERTISING EXPENSES	266.00	200.00	100.00	0.00

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10. Sales Expense					
11. Administrative and General Expense					
0 920.0					
0 921.01					
0 921.02					
0 921.03					
0 923.01					
0 923.02					
0 923.03					
0 923.04					
0 924.01					
0 925.01					
0 925.02					
0 926.01					
0 926.02					
0 926.03					
0 926.04					
0 926.05					
0 926.06					
0 926.07					
0 926.08					
0 926.09					
0 926.1					
0 926.11					
0 928.0					
0 930.0					
0 930.01					
0 930.02					
0 930.03					
0 930.04					
0 930.05					
0 930.06					
0 930.07					
0 931.0					
0 932.0					
Total for Line 10:					
	11,567.39	24,261.57	12,145.77	2,580.00	0.00
ADMINISTRATIVE & GENERAL SALARIES	655,397.64	686,427.05	688,167.54	122,913.44	105,888.70
OFFICE SUPPLIES & EXPENSES	112,026.56	147,480.07	117,627.89	16,694.05	18,036.41
OFFICE SUPPLIES & EXPENSE - TELEPHON	95,948.42	97,462.71	100,745.82	7,843.46	9,059.84
OFF SUPPLIES & EXPENSE - POSTAGE/FRE	33,687.31	21,768.37	35,371.69	3,351.88	3,976.80
OUTSIDE SERVICES EMPLOYED - AUDITO	13,499.50	12,184.00	14,174.48	0.00	0.00
OUTSIDE SERVICES EMPLOYED - ATTORN	20,165.65	10,821.00	21,173.93	3,307.00	0.00
OUTSIDE SERVICES EMPLOYED - ENGINE	943.00	0.00	990.15	0.00	0.00
PROPERTY INSURANCE EXPENSE	26,643.14	34,817.78	27,975.31	3,590.18	2,286.01
INJURIES & DAMAGES	202,423.00	209,918.00	212,544.15	19,739.00	18,153.45
INJURIES & DAMAGES - ST INSURANCE F	91,768.69	93,063.28	96,357.14	2,713.59	5,868.48
EMPLOYEE BENEFITS - NRECA GROUP LIF	62,198.37	69,438.78	65,308.28	5,975.70	5,241.66
EMPLOYEE PENSIONS & BENFITS - HEALTH	151,732.11	156,041.30	159,318.70	11,825.65	12,751.65
EMPLOYEE PENSIONS & BENFITS - NRECA R	588,968.35	619,245.97	618,416.75	-14,491.17	-12,642.46
EMPLOYEE PENSIONS & BENFITS - NRECA S	720,747.87	969,590.46	756,785.27	1,416.62	2,134.38
EMPLOYEE PENSIONS & BENFITS - CREDIT U	155,670.50	38,815.00	163,454.03	3,344.29	2,380.75
EMPLOYEE PENSIONS & BENFITS - POSTRET	0.00	0.00	0.00	0.00	0.00
EMPLOYEE BENEFITS - CLOTHING ALLO	146,165.00	139,798.00	153,473.26	7,798.00	3,236.63
EMPLOYEE BENEFITS - VISION CARE EXP	41,444.43	35,098.54	43,516.65	6,705.90	8,076.18
MEDICAL SAVINGS ACCOUNT EXPENSE	24,768.45	24,885.25	26,006.88	2,596.59	2,464.25
DAY CARE SAVINGS ACCOUNT EXPENSE	0.00	0.00	0.00	0.00	0.00
EMPLOYEE BENEFITS - DEFERRED COMP	0.00	0.00	0.00	0.00	0.00
REGULATORY COMMISSION EXPENSE	7,875.40	17,672.00	8,269.16	1,169.92	1,705.24
MISC GENERAL EXPENSES - ADM	31,439.12	31,998.84	33,011.08	0.00	0.00
MISC GENERAL EXPENSE - DIRECTORS	154,102.69	143,607.65	161,807.84	12,161.16	16,835.60
MISC GENERAL EXPENSES - TRAINING	208,853.48	183,406.04	219,296.17	-2,619.80	13,378.43
MISC GEN EXP - US BANK VISA CARDS	261,859.50	272,462.24	274,952.49	15,897.90	13,480.23
MISC GENERAL EXPENSES - MEMBERSHIP	84,282.11	49,978.38	88,496.16	11,497.17	12,865.17
MISC GENERAL EXPENSES - ADVERTISIN	38,076.48	49,918.29	39,980.30	990.00	184.25
MISC GENERAL EXPENSES - TRAVEL	37,519.54	23,307.24	39,395.51	1,970.50	5,562.10
MIS GEN EXP - SPONSORSHIPS, PROMO A	58,929.10	94,061.07	61,875.57	6,621.83	3,428.27
RENTS	6,565.00	7,732.29	6,893.25	0.00	0.00
MAINTENANCE OF GENERAL PLANT	2,796.00	0.00	2,935.80	0.00	0.00
	275,781.57	277,598.49	289,570.66	12,642.99	-19,703.78

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11. Administrative and General Expense				
0 932.01 MAINT OF GENERATOR - BARNEY TOP	685.54	0.00	0.00	0.00
Total for Line 11:	4,312,963.52	4,518,598.09	265,655.85	274,055.80
12. Total Operation & Maintenance Expense (2 thru 11)	15,189,604.64	16,145,346.67	1,016,966.92	928,199.89
13. Depreciation & Amortization Expense				
0 403.2 DEPREC OF OTHER PRODUCTION PLT - UT	31,918.20	31,918.20	2,659.85	2,792.84
0 403.21 DEPREC EXP - IRC DIESEL GENERATORS -	15,857.86	15,857.76	1,321.47	1,387.54
0 403.3 DEPREC OF HYDRAULIC PRODUCTION PL	0.00	0.00	0.00	0.00
0 403.31 DEPREC OF HYDRAULIC PLT - BOULDER -	75,464.31	74,572.26	6,214.38	6,525.09
0 403.32 DEPREC OF HYDRAULIC PLT - L BOULDE	34,420.00	34,420.02	2,868.33	3,011.75
0 403.5 DEPREC OF TRANSMISSION PLANT - UT	464,234.64	465,595.90	38,944.02	40,671.12
0 403.51 DEPREC OF TRANSMISSION PLT - BOULDE	0.00	0.00	0.00	0.00
0 403.52 DEPREC OF TRANSMISSION PLANT - AZ	0.00	0.00	0.00	0.00
0 403.6 DEPREC OF DISTRIBUTION PLANT - UT	1,351,387.07	1,463,720.67	124,993.49	124,141.28
0 403.61 DEPREC OF DISTRIBUTION PLANT - AZ	133,670.66	142,376.19	11,988.97	12,373.18
0 403.7 DEPRECIATION OF GENERAL PLANT - UT	569,608.31	593,343.28	50,162.44	51,566.67
0 403.8 DEPRECIATION EXPENSE - LP GAS EQUIPM	0.00	0.00	0.00	0.00
Total for Line 13:	2,676,561.05	2,821,804.28	239,152.95	242,469.47
14. Tax Expense - Property				
0 408.1 PROPERTY TAX EXPENSE	541,714.00	566,006.74	42,288.08	82,550.37
Total for Line 14:	541,714.00	566,006.74	42,288.08	82,550.37
15. Tax Expense - Other				
0 408.2 FEDERAL UNEMPLOYMENT TAX EXPENS	35.44	0.00	0.00	0.00
0 408.3 FICA TAX EXPENSE	0.03	1,284.84	-2,744.04	-0.13
0 408.4 STATE UNEMPLOYMENT TAX EXPENSE	-0.03	3.04	0.00	0.00
0 408.5 STATE SALES & USE TAX EXPENSE	45,925.99	21,197.57	-6,146.32	4,127.19
0 408.6 OTHER TAX EXPENSE	34,995.88	34,231.32	641.28	330.75
Total for Line 15:	80,957.31	56,716.77	-8,249.08	4,457.81
16. Interest on Long-Term Debt				
0 427.1 INTEREST ON REA LONG-TERM DEBT	0.00	0.00	0.00	0.00
0 427.2 INTEREST ON NRUCFC LONG-TERM DEBT	1,413,272.08	1,330,259.14	110,735.50	119,583.35
Total for Line 16:	1,413,272.08	1,330,259.14	110,735.50	119,583.35
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	0.00	0.00	0.00	0.00

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18. Interest Expense - Other					
0 431.0 OTHER INTEREST EXPENSE	26,967.52	19,770.29	28,315.90	1,726.80	1,724.54
Total for Line 18:	26,967.52	19,770.29	28,315.90	1,726.80	1,724.54
19. Other Deductions					
0 425.0 MISCELLANEOUS AMORTIZATION	0.00	0.00	0.00	0.00	0.00
0 426.1 DONATIONS	10,076.72	17,275.00	10,580.55	-650.00	787.50
0 426.11 SCHOLARSHIP AWARDS & DONATIONS	12,350.00	9,934.00	12,967.50	250.00	0.00
0 426.4 EXPENDITURES FOR CIVIC & POLITICAL	0.00	0.00	0.00	0.00	0.00
0 426.5 OTHER DEDUCTIONS	0.00	0.00	0.00	0.00	0.00
0 428.1 AMORTIZATION OF LOSS ON REACQUIRE	0.00	0.00	0.00	0.00	0.00
0 430.0 INTEREST EXPENSE - SHORT-TERM DEBT	0.00	0.00	0.00	0.00	0.00
Total for Line 19:	22,426.72	27,209.00	23,548.05	-400.00	787.50
20. Total Cost of Electric Service (12 thru 19)	19,951,503.32	20,967,112.89	20,949,078.88	1,402,221.17	1,379,772.93
21. Patronage Capital & Operating Margins (1 minus 20)	2,102,070.22	2,759,055.97	2,207,173.44	844,023.46	695,130.52
22. Non Operating Margins - Interest					
0 419.0 INTEREST AND DIVIDEND INCOME	36,480.66	41,437.48	38,304.69	4,722.38	3,010.78
Total for Line 22:	36,480.66	41,437.48	38,304.69	4,722.38	3,010.78
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other					
0 415.0 REVENUE FROM CONTRACT WORK - FRE	74,385.08	30,279.76	78,104.34	1,475.46	3,080.23
0 415.01 REVENUE FROM MISC SALES & CONTRAC	0.00	0.00	0.00	0.00	0.00
0 415.02 REVENUE FROM KANE CO WATER CONSE	2,895.84	3,779.35	3,040.63	1,360.51	420.00
0 415.03 REV FROM SALES OF FIREPLACES & HEA	8,146.14	7,804.61	8,553.44	769.45	0.00
0 415.04 NET FROM INSTALLING NET METERING S	605.17	0.00	635.43	0.00	0.00
0 415.05 REVENUE FROM FREDONIA ELECT UPGR	0.00	185,231.42	0.00	57,326.25	0.00
0 416.0 COST & EXPENSE OF CONTRACT WORK -	-53,595.04	-49,851.62	-56,274.80	-2,648.85	-229.74
0 416.01 COST OF SALES & EXPENSE OF MISC CON	0.00	0.00	0.00	0.00	0.00
0 416.02 EXPENSE FOR KANE CO WATER CONSER	-1,194.03	-1,965.96	-1,253.74	-144.44	0.00
0 416.03 COST OF MERCHANDISING FIREPLACES &	-13,415.25	-7,576.15	-14,086.02	-504.19	-310.32
0 416.04 COST TO INSTALL NET METERING SERVI	-2,225.57	-544.40	-2,336.85	0.00	-292.65
0 416.05 COST & EXP OF FREDONIA ELECT UPGRD	0.00	-148,582.22	0.00	-24,839.64	-605.42
0 418.0 NONOPERATING RENTAL INCOME	0.00	0.00	0.00	0.00	0.00
0 421.0 NONOPERATING INCOME - UT IMPACT FEE	262,423.73	290,743.02	275,544.92	290,743.02	275,544.92

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25. Non Operating Margins - Other				
0 421.01 NONOPERATING INCOME - AZ IMPACT FEE	9,739.68	17,205.80	17,205.80	10,226.66
0 421.1 GAIN ON DISPOSITION OF PROPERTY	32,847.07	135,407.87	16,870.30	1,965.08
0 421.11 MISC NONOPERATING INCOME - GAIN RU	54,948.24	54,948.24	4,579.02	4,807.97
0 421.2 LOSS ON DISPOSITION OF PROPERTY	-4,653.84	0.00	0.00	-902.84
Total for Line 25:	370,907.22	516,879.72	362,192.69	293,703.89
26. Generation and Transmission Capital Credits				
0 423.0 GENERATION & TRANSMISSION COOP CA	13,638.00	6,819.00	6,819.00	7,159.95
Total for Line 26:	13,638.00	6,819.00	6,819.00	7,159.95
27. Other Capital Credits and Patronage Dividends				
0 424.0 OTHER CAPITAL CRS & PATRONAGECAPI	129,554.63	133,632.70	8,697.00	5,947.90
Total for Line 27:	129,554.63	133,632.70	8,697.00	5,947.90
28. Extraordinary Items				
0 434.0 EXTRAORDINARY INCOME	0.00	0.00	0.00	0.00
0 435.0 EXTRAORDINARY ITEMS	0.00	0.00	0.00	0.00
0 435.1 EXTRA-ORDINARY DEDUCTIONS	0.00	0.00	0.00	0.00
Total for Line 28:	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)				
Operating - Margin	2,652,650.73	3,457,824.87	1,226,454.53	1,004,953.04
Non Operating - Margin	2,245,262.85	2,899,507.67	859,539.46	708,238.37
Times Interest Earned Ratio - Operating	407,387.88	558,317.20	366,915.07	296,714.67
Times Interest Earned Ratio - Net	2.49	3.07		
Times Interest Earned Ratio - Modified	2.88	3.60		
	2.78	3.49		

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ASSETS AND OTHER DEBITS

1. Total Utility Plant in Service

	Last Year	This Year	Variance
0 301.0 ORGANIZATION COSTS - UTAH	0.00	0.00	0.00
0 301.1 ORGANIZATION COSTS - ARIZONA	0.00	0.00	0.00
0 302.0 FRANCHISES AND CONSENTS - UTAH	0.00	0.00	0.00
0 302.1 FRANCHISES AND CONSENTS - ARIZONA	0.00	0.00	0.00
0 303.0 MISCELLANEOUS INTANGIBLE PLANT - U	0.00	0.00	0.00
0 303.1 MISCELLANEOUS INTANGIBLE PLANT - A	0.00	0.00	0.00
0 330.0 LAND & LAND RIGHTS - HYDRAULIC PRO	0.00	0.00	0.00
0 330.01 LAND & LAND RIGHTS - HYDRO - BOULD	300,450.09	300,450.09	0.00
0 330.02 LAND & LAND RIGHTS - LOWER BOULDE	27,850.00	27,850.00	0.00
0 331.01 STRUCTURES & IMPROVEMENTS - BOULD	144,554.59	144,554.59	0.00
0 331.02 STRUCTURES & IMPROVEMENTS - L BOU	365,574.53	365,574.53	0.00
0 332.01 RESERVOIRS, DAMS & WATERWAYS - BO	2,531,004.47	2,531,004.47	0.00
0 332.02 RESERVOIRS, DAMS & WATERWAYS - LO	691,257.01	691,257.01	0.00
0 333.01 WATERWHEELS, TURBINES & GENERATO	922,208.07	922,208.07	0.00
0 333.02 WATER WHEELS, TURBINES, & GENERAT	441,830.94	441,830.94	0.00
0 334.01 ACCESSORY ELECTRIC EQUIP - BOULDER	147,785.79	147,785.79	0.00
0 334.02 ACCESSORY ELECTRIC EQUIPMENT - L BO	82,299.21	82,299.21	0.00
0 335.01 MISC POWER PLANT EQUIP - BOULDER #2	20,792.88	20,792.88	0.00
0 335.02 MISC POWER PLANT EQUIPMENT - L BOU	15,185.80	15,185.80	0.00
0 336.01 ROADS, RAILROADS & BRIDGES - BOULD	32,921.05	32,921.05	0.00
0 336.02 ROADS, RAILROADS, & BRIDGES - LOWER	115,020.30	115,020.30	0.00
0 344.0 GENERATORS	585,300.00	585,300.00	0.00
0 344.5 IRC GENERATORS - AZ	317,155.53	317,155.53	0.00
0 345.0 ACCESSORY ELECTRIC EQUIPMENT - OTH	272,061.12	272,061.12	0.00
0 350.0 LAND & LAND RIGHTS - TRANSMISSION P	2,335,669.45	2,335,669.45	0.00
0 350.01 LAND & LAND RIGHTS - TRANS. - BOULD	405.61	405.61	0.00
0 351.0 CLEARING LAND, & ROW - TRANS PLT - U	4,637.09	4,637.09	0.00
0 351.1 CLEARING LAND, & ROW - TRANS PLT - A	21,480.35	21,480.35	0.00
0 352.0 STRUCTURES & IMPROV - TRANS PLANT -	41,920.05	41,920.05	0.00
0 353.0 STATION EQUIP, BOULDER PROJ #2219 - U	55,264.84	55,264.84	0.00
0 353.01 STATION EQUIP - HENRIEVILLE TEL, TRA	59,132.84	59,132.84	0.00
0 353.02 STATION EQUIP, HENRIEVILLE SUB TRAN	1,070,596.39	1,070,596.39	0.00
0 353.03 STATION EQUIP, PARIA TEL, TRANS PLT -	37,230.30	37,230.30	0.00
0 353.04 STATION EQUIP - SIGURD SUB - UT	241,623.99	241,623.99	0.00
0 353.05 STATION EQUIP - BUCKSKIN SUB - UT	1,079,202.10	1,079,202.10	0.00
0 353.06 STATION EQUIP - 138/69 KV PORT TRANS -	497,106.56	546,903.17	49,796.61

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	Last Year	This Year	Variance
1. Total Utility Plant in Service			
0 353.1 STATION EQUIP - TRANS PLANT - AZ	0.00	0.00	0.00
0 354.0 STEEL TOWERS, FIXTURES - TRANS PLT -	0.00	0.00	0.00
0 354.1 STEEL TOWERS & FIX - TRANS PLT - AZ	35,371.27	35,371.27	0.00
0 355.0 POLES, & FIXTURES - TRANS PLANT - UT	8,299,705.35	8,326,117.31	26,411.96
0 355.01 POLES & FIXTURES - BOULDER #2219 - UT	124,637.48	124,637.48	0.00
0 355.1 POLES & FIXTURES - TRANS PLT - AZ	152,451.47	152,451.47	0.00
0 356.0 OH CONDUCTORS & DEVICES - TRANS PL	5,647,197.18	5,662,522.64	15,325.46
0 356.01 OH CONDUCT & DEVICES - BOULDER 2219 -	144,367.22	144,367.22	0.00
0 356.1 OH CONDUCT & DEVICES - TRANS PLT - A	138,824.79	138,824.79	0.00
0 358.0 UNDERGROUND CONDUCTORS & DEVICE	0.00	0.00	0.00
0 359.0 ROADS & TRAILS - TRANS. PLANT - UTAH	23,982.75	23,982.75	0.00
0 360.0 LAND & LAND RIGHTS - DIST. PLANT - UT	596,254.94	598,974.94	2,720.00
0 360.1 LAND & LAND RIGHTS - DIST. PLANT - AR	40,374.88	40,374.88	0.00
0 361.0 STRUCTURES & IMPROVE - DIST PLT - UT	0.00	0.00	0.00
0 361.1 STRUCTURES & IMPROVE - DIST PLT - AZ	0.00	0.00	0.00
0 362.0 STATION EQUIP BOULBER SUB - DIST PLT	232,857.76	488,344.13	255,486.37
0 362.01 STATION EQUIP - BRYCE CYN SUB - DIST -	389,407.33	389,407.33	0.00
0 362.02 STATION EQUIP - ESCALANTE SUB - DIST	237,728.32	237,728.32	0.00
0 362.03 STATION EQUIP - HANKSVILLE SUB - DIST	168,205.99	168,205.99	0.00
0 362.04 STATION EQUIP - HATCH SUB - DIST - UT	2,194,267.29	2,194,267.29	0.00
0 362.05 STATION EQUIP - HATCH MT SUB - DIST -	111,915.97	111,915.97	0.00
0 362.06 STATION EQUIP - JOHNSON CYN SUB - DIS	105,580.79	105,580.79	0.00
0 362.07 STATION EQUIP - 34.5 KV PORTABLE SUB	135,111.85	135,111.85	0.00
0 362.08 STATION EQUIP - LYMAN SUB - DIST - UT	251,588.89	251,588.89	0.00
0 362.09 STATION EQUIP - ORDERVILLE SUB -DIST	163,962.85	163,962.85	0.00
0 362.1 STATION EQUIP - PAHREAH HOLLOW SUB	21,206.22	21,206.22	0.00
0 362.11 STATION EQUIP - PARIA SUB - DIST - UT	279,776.80	279,776.80	0.00
0 362.12 STATION EQUIP - PARKER MT.SUB - DIST	346,715.90	363,589.01	16,873.11
0 362.13 STATION EQUIP - CITATION SUB - DIST UT	199,456.47	199,456.47	0.00
0 362.14 STATION EQUI - TORREY SUB - DIST - UT	10,931.93	10,931.93	0.00
0 362.15 STATION EQUIP - TROPIC SUB - DIST - UT	114,517.02	114,517.02	0.00
0 362.16 STATION EQUIP - 69/12.5 PORTABLE SUB	160,444.82	171,630.46	11,185.64
0 362.17 STATION EQUIP - HILDALE SUB - DIST - U	12,988.41	92,551.68	79,563.27
0 362.18 STATION EQUIP - KCR SUB - DIST - UT	1,022,141.74	1,022,141.74	0.00
0 362.19 STATION EQUIP - BICKNELL SUB - DIST -	449,677.87	449,677.87	0.00
0 362.2 STATION EQUIP - SPRY SUB - DIST - UT	132,542.92	132,542.92	0.00
0 362.21 STATION EQUIP - SWAINS CREEK SUB - U	86,740.67	86,740.67	0.00

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0 362.22	STATION EQUIP - KANAB CITY SUB - UT	286,780.72	286,780.72	0.00
0 362.23	STATION EQUIP - DUCK CREEK SUB - UT	500,168.51	500,168.51	0.00
0 362.24	STATION EQUIP - TODD'S JCT SUB - UT	1,779,175.81	1,779,175.81	0.00
0 362.25	STATION EQUIP - TWIN CITIES SUB - UT	346,885.07	1,502,009.76	1,155,124.69
0 362.26	STATION EQUIP - 8 MILE GAP SUB - UT	1,143,006.77	1,143,006.77	0.00
0 362.27	STATION EQUIP - 6734.5 MOBILE SUB - UT	916,794.33	916,794.33	0.00
0 362.28	STATION EQUIP - ZIONVIEW SUB - UT	0.00	0.00	0.00
0 362.5	STATION EQUIP - COLO CITY SUB - AZ	142,452.52	142,452.52	0.00
0 362.51	STATION EQUIP - FREDONIA SUB - AZ	638,160.27	638,160.27	0.00
0 362.52	STATION EQUIP - RYAN SUB - AZ	154,634.34	154,634.34	0.00
0 362.53	STATION EQUIP - HACK CANYON SUB - A	0.00	0.00	0.00
0 362.54	STATION EQUIP - PIGEON CYN SUB - AZ	0.00	0.00	0.00
0 364.0	POLES, TOWERS, FIXTURES - DIST PLT - U	8,494,603.16	8,849,953.33	355,350.17
0 364.1	POLES, TOWERS, FIXTURES - DIST PLT - A	1,196,422.79	1,249,719.62	53,296.83
0 365.0	OH CONDUCTORS & DEVICES - DIST PLT -	9,730,999.11	9,938,727.55	207,728.44
0 365.1	OH CONDUCTORS & DEVICES - DIST PLT -	1,266,816.26	1,272,625.52	5,809.26
0 366.0	UNDERGROUND CONDUIT - DIST PLT - UT	145,282.81	147,399.35	2,116.54
0 366.1	UNDERGROUND CONDUIT - DIST PLT - AZ	9,828.27	10,071.64	243.37
0 367.0	UG CONDUCTORS & DEVICES - DIST PLT - AZ	3,217,304.59	3,328,326.17	111,021.58
0 367.1	UG CONDUCTORS & DEVICES - DIST PLT -	81,866.62	85,425.94	3,559.32
0 368.0	LINE TRANSFORMERS - DIST PLANT - UT	9,958,046.08	10,194,992.93	236,946.85
0 368.1	LINE TRANSFORMERS - DIST PLANT - AZ	790,563.11	790,563.11	0.00
0 369.0	SERVICES - DIST PLANT - UT	2,721,862.55	2,779,573.38	57,710.83
0 369.1	SERVICES - DIST PLANT - AZ	339,475.40	349,435.63	9,960.23
0 370.0	METERS - DIST PLANT - UT	1,979,093.52	2,211,889.31	232,795.79
0 370.1	METERS - DIST PLANT - AZ	125,966.88	125,966.88	0.00
0 371.0	INSTALL ON CUST PREMISES - DIST PLT -	112,659.42	114,380.34	1,720.92
0 371.1	INSTALL ON CUST PREMISES - DIST PLT -	6,639.24	7,155.37	516.13
0 373.0	STREET LIGHTS & SIGNAL SYS - DIST PLT	99,574.10	99,574.10	0.00
0 373.1	STREET LIGHTS & SIGNAL SYS - DIST PLT	8,104.71	8,104.71	0.00
0 389.0	LAND & LAND RIGHTS - GEN PLANT - UT	574,142.95	663,588.93	89,445.98
0 390.0	STRUCTURES & IMPROVEMENTS - GEN PL	3,482,865.19	3,555,849.98	72,984.79
0 391.0	OFFICE FURNITURE & EQUIP - GEN PLT -	869,432.75	949,712.27	80,279.52
0 392.1	TRANSPORT EQUIP - AUTO'S - UT	31,981.47	39,181.29	7,199.82
0 392.2	TRANSPORT EQUIP - LIGHT TRUCKS - UT	1,599,110.49	1,655,375.30	56,264.81
0 392.3	TRANSPORT EQUIP - HEAVY TRUCKS - UT	65,405.06	65,405.06	0.00
0 392.4	TRANSP EQUIP - TRAILERS, SNOWMOBILE	952,175.16	943,038.61	-9,136.55

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	Last Year	This Year	Variance
1. Total Utility Plant in Service			
0 393.0 STORES EQUIPMENT - GENERAL PLANT -	0.00	0.00	0.00
0 394.0 TOOLS, SHOP, GARAGE EQUIP - GEN PLT	77,057.90	81,422.40	4,364.50
0 395.0 LABORATORY EQUIP - GEN PLANT - UT	480,876.76	482,947.44	2,070.68
0 396.0 POWER OPERATED EQUIP - GEN PLT - UT	4,007,010.55	4,366,643.27	359,632.72
0 397.0 COMMUNICATION EQUIP - GEN PLT - UT	282,235.73	282,235.73	0.00
0 397.01 COMMUNICATION EQUIP - BOULDER #221	0.00	0.00	0.00
0 397.02 COMMUNICATION EQUIP - SCADA SYS - U	270,417.82	270,417.82	0.00
0 398.0 MISCELLANEOUS EQUIPMENT - GEN PLT -	575,487.73	588,033.46	12,545.73
Total for Line 1:	93,949,822.61	97,516,737.98	3,566,915.37
2. Construction Work in Progress			
0 107.2 CONSTRUCTION WORK IN PROGRESS	1,601,679.78	4,888,107.61	3,286,427.83
0 107.21 CONST. WORK-IN-PROGRESS - OVERHEA	0.00	0.00	0.00
0 107.22 CONST. WORK IN PROGRESS - ARIZONA	0.00	0.00	0.00
0 107.3 CONST. WORK-IN-PROGRESS - SPECIAL E	187,854.99	18,761.00	-169,093.99
Total for Line 2:	1,789,534.77	4,906,868.61	3,117,333.84
3. Total Utility Plant (1 + 2)	95,739,357.38	102,423,606.59	6,684,249.21
4. Accum. Provision for Depreciation and Amort.			
0 108.2 ACC PROV FOR DEPREC-OTHER PRODUCT	-395,660.48	-427,578.68	-31,918.20
0 108.21 ACC PROV FOR DEPREC - IRC GENERATO	-92,504.28	-108,362.04	-15,857.76
0 108.3 ACC PROV FOR DEPREC - HYDRO PLANT -	0.00	0.00	0.00
0 108.31 ACC PROV FOR DEPREC BOULDER HYDR	-2,298,284.46	-2,372,856.72	-74,572.26
0 108.32 ACC PROV FOR DEPREC - LOW BOULDER	-614,560.49	-648,980.51	-34,420.02
0 108.33 GAIN/LOSS RETIREMENT OF BOULDER H	0.00	0.00	0.00
0 108.5 ACCUM PROV DEPREC - TRANS PLANT - U	-6,922,754.93	-7,384,020.80	-461,265.87
0 108.51 ACC PROV FOR DEPREC - TR PLANT BOUL	-383,402.38	-383,402.38	0.00
0 108.52 ACC PROV FOR DEPREC - TRANS PLANT -	-326,647.53	-323,752.86	2,894.67
0 108.53 GAIN LOSS RETIREMENT TRANS PLANT - U	0.00	0.00	0.00
0 108.54 GAIN LOSS RETIREMENT TRAN PLT - ARI	0.00	0.00	0.00
0 108.6 ACC PROV FOR DEPREC - DIST PLANT - U	-16,721,077.71	-18,018,352.53	-1,297,274.82
0 108.61 ACC PROV FOR DEPREC - DIST PLANT - A	-2,229,744.54	-2,366,511.22	-136,766.68
0 108.62 ACC PROV DEP-NET LOSS/GAIN WO SYS U	2,538,450.25	2,560,971.35	22,521.10
0 108.63 ACC PROV DEP-NET LOSS/GAIN WO SYS-A	71,835.30	72,172.59	337.29
0 108.7 ACC PROV FOR DEPREC - GEN PLANT - UT	-1,207,859.57	-1,297,278.09	-89,418.52
0 108.71 ACC PROV FOR DEPREC - GEN OFF PLT - U	-619,085.30	-711,488.60	-92,403.30
0 108.72 ACC PROV FOR DEPREC TRANS EQUIP AU	-13,858.62	-20,314.92	-6,456.30
0 108.73 ACC PROV FOR DEP TRANS EQUIP LT TRK	-1,098,945.56	-1,194,048.05	-95,102.49

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	Last Year	This Year	Variance
4. Accum. Provision for Depreciation and Amort.			
0 108.74 ACC PROV FOR DEPR TRANS EQUIP-HEAV	-61,386.33	-65,405.06	-4,018.73
0 108.75 ACC PROV FOR DEP TRANS EQUIP TRAIL	-625,276.39	-656,327.43	-31,051.04
0 108.76 ACC PROV FOR DEPREC-TOOLS,GARAGE,	-49,811.54	-56,154.26	-6,342.72
0 108.77 ACC PROV FOR DEPREC- LAB EQUIP - UT	-328,241.54	-355,074.61	-26,833.07
0 108.78 ACC PROV FOR DEPREC - COMM EQUIP -	-185,424.10	-200,748.51	-15,324.41
0 108.79 ACC PROV FOR DEP - COMM EQUIP BOUL	0.00	0.00	0.00
0 108.8 RETIREMENT WORK-IN-PROGRESS	7,684.09	14,992.51	7,308.42
0 108.81 RETIREMENT WORK-IN-PROGRESS -CONT	0.00	0.00	0.00
0 108.82 RETIREMENT WORK-IN-PROGRESS - OVE	0.00	0.00	0.00
0 108.83 RETIREMENT WORK-IN-PROGRESS - ARIZ	0.00	0.00	0.00
0 108.9 ACC PROV FOR DEPREC - MISC EQUIP - UT	-393,716.99	-436,433.02	-42,716.03
0 108.91 ACC PROV FOR DEP - HEAVY EQUIPMENT	-2,860,714.28	-3,169,697.93	-308,983.65
0 108.92 ACC PROV FOR DEPREC - STORES EQUIP -	0.00	0.00	0.00
0 108.93 ACC PROV FOR DEPREC - SCANDA EQUIP	-233,308.20	-243,991.46	-8,683.26
0 108.94 ACC PROV FOR DEPREC - LP GAS EQUIPM	0.00	0.00	0.00
0 111.0 ACC PROV FOR AMORTIZATION - ELECTR	0.00	0.00	0.00
Total for Line 4:	-35,046,295.58	-37,792,643.23	-2,746,347.65
5. Net Utility Plant (3 - 4)	60,693,061.80	64,630,963.36	3,937,901.56
6. Non-Utility Property (Net)			
0 121.0 NON-UTILITY PROPERTY - LP GAS PLANT	0.00	0.00	0.00
0 121.01 PROPANE TANKS INVENTORY FOR RESAL	0.00	0.00	0.00
0 121.02 ACCTS RECEIVABLE - GARKANE PROPAN	0.00	0.00	0.00
0 122.0 ACC PROV FOR DEPRECIATION - LP GAS E	0.00	0.00	0.00
Total for Line 6:	0.00	0.00	0.00
7. Invest. in Subsidiary Companies			
0 123.12 INVESMENT IN GARKANE PROPANE INC.	1,478,228.55	1,478,228.55	0.00
0 123.13 LONG TERM NOTES RECEIVABLE - GARK	0.00	0.00	0.00
0 123.14 UNDISTRIBUTED SUBSIDIARY EARNINGS	805,246.00	1,013,721.00	208,475.00
Total for Line 7:	2,283,474.55	2,491,949.55	208,475.00
8. Invest. in Assoc. Org. - Patronage Capital			
0 123.0 INVEST ASSOC ORGANIZATION - NRUCFC	622,439.91	679,873.25	57,433.34
Total for Line 8:	622,439.91	679,873.25	57,433.34
9. Invest. in Assoc. Org. - Other - General Funds			
0 123.01 INVEST IN ASSOC ORGANIZATION - LPAC	0.00	0.00	0.00
0 123.11 LONG TERM NOTES RECEIVABLE - D G &	0.00	0.00	0.00

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	Last Year	This Year	Variance
9. Invest. in Assoc. Org. - Other - General Funds			
Total for Line 9:	0.00	0.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds			
0 123.22 INVESTMENTS IN CAPITAL TERM CERTIFI	1,034,604.42	1,027,407.39	-7,197.03
0 123.23 OTHER INVEST. IN ASSOC. ORG. - NRUCFC	1,000.00	1,000.00	0.00
0 123.24 NRUCFC - MEMBER CAPITAL SECURITIES	50,000.00	50,000.00	0.00
0 123.25 OTHER INVESTMENTS - ECO	0.00	0.00	0.00
0 123.26 OTHER INVESTMENTS - GO SEVIER	0.00	0.00	0.00
Total for Line 10:	1,085,604.42	1,078,407.39	-7,197.03
11. Invest. in Economic Development Projects			
0 124.0 OTHER INVESTMENTS - ECONOMIC DEVE	0.00	0.00	0.00
Total for Line 11:	0.00	0.00	0.00
12. Other Investments			
13. Special Funds			
0 128.0 OTHER SPEC FUNDS-UNCLAIMED CAPTL	137,433.92	122,966.54	-14,467.38
0 128.01 OTHER SPECIAL FUNDS - ROUNDUP PROG	13,813.63	14,315.83	502.20
0 128.1 SPECIAL FUNDS - DEF COMP - CARL ALBR	111,954.66	129,512.85	17,558.19
0 128.11 SPECIAL FUNDS - DEF COMP - STAN CHAP	35,564.24	0.00	-35,564.24
0 128.12 SPECIAL FUNDS - DEF COMP - MARION CH	29,565.67	39,533.61	9,967.94
0 128.13 SPECIAL FUNDS - DEF COMP - IRA M AVA	2,540.50	9,049.77	6,509.27
Total for Line 13:	330,872.62	315,378.60	-15,494.02
14. Total Other Property & Investments (6 thru 13)	4,322,391.50	4,565,608.79	243,217.29
15. Cash - General Funds			
0 131.0 CASH - CACHE VALLEY BANK-GENERAL	306,660.91	327,326.26	20,665.35
0 131.01 CASH - ZIONS BANK - HATCH - GENERAL	187,235.52	95,956.55	-91,278.97
0 131.02 CASH - SBSU TWIN CITIES FUND ACCOUNT	50,864.57	86,036.57	35,172.00
0 131.1 CASH - GENERAL FUND - SBSU	1,930,209.61	726,325.37	-1,203,884.24
0 131.11 CASH - PAYROLL ACCOUNT	1,382.20	250.00	-1,132.20
0 131.12 CAPITAL CREDIT ALLOCATION FUND	90,352.01	105,542.95	15,190.94
0 131.13 CASH - GENERAL FUND - ONLINE PAYME	28,127.67	90,512.27	62,384.60
0 131.14 CASH - CREDIT CARD PAYMENT ACCOUNT	80,373.12	117,943.34	37,570.22
0 131.15 CASH - HEALTH & VISION CARE FUND	30,964.18	22,647.63	-8,316.55
0 131.4 TRANSFER OF CASH - CLEARING ACCOUNT	0.00	0.00	0.00
0 135.0 WORKING FUND - PETTY CASH	1,250.00	1,500.21	250.21
Total for Line 15:	2,707,419.79	1,574,041.15	-1,133,378.64
16. Cash - Construction Funds - Trustee			

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BALANCE SHEET FOR DEC 2013

	Last Year	This Year	Variance
16. Cash - Construction Funds - Trustee			
0 131.2 CASH - REA CONSTRUCTION FUND	0.00	0.00	0.00
Total for Line 16:	0.00	0.00	0.00
17. Special Deposits			
18. Temporary Investments	0.00	0.00	0.00
0 136.0 TEMPORARY CASH INVESTMENTS	0.00	0.00	0.00
Total for Line 18:	0.00	0.00	0.00
19. Notes Receivable (Net)			
0 141.1 NOTES RECEIVABLE - SEVIER SMART SIT	0.00	0.00	0.00
Total for Line 19:	0.00	0.00	0.00
20. Accounts Receivable - Sales of Energy (Net)			
0 142.0 CONSUMER ACCTS RECEIVABLE - ELECT	2,051,946.76	2,333,025.35	281,078.59
0 142.99 A/R DISC ACCTS WITH CREDIT BALANCE	0.00	0.00	0.00
0 144.1 ACCUM. PROV. FOR UNCOLLECTABLE CO	-94,741.49	-95,172.24	-430.75
Total for Line 20:	1,957,205.27	2,237,853.11	280,647.84
21. Accounts Receivable - Other (Net)			
0 142.1 CONSUMER ACCTS RECEIVABLE - RETUR	0.00	0.00	0.00
0 142.11 CONSUMER ACCTS RECEIVABLE - DISCO	108,349.47	100,351.26	-7,998.21
0 142.12 CONSUMER ACCTS RECEIVABLE - COLLE	0.00	0.00	0.00
0 142.2 CONSUMER ACCTS RECEIVABLE - PROPA	0.00	0.00	0.00
0 142.21 ACCTS RECEIVABLE - PROPANE DISC ACC	0.00	0.00	0.00
0 143.0 OTHER ACCOUNTS RECEIVABLE	42,554.67	696,081.30	653,526.63
0 143.1 OTHER ACCOUNTS RECEIVABLE - EMPLO	0.00	0.00	0.00
0 143.11 ACCOUNTS RECEIVABLE OTHER - MISC	107,339.70	581,818.10	474,478.40
0 143.12 ACCTS RECEIVABLE - MISC CLEARING AC	0.00	0.00	0.00
0 143.13 EMPLOYEES ACCTS RECEIVABLE - AFLA	0.00	0.00	0.00
0 143.14 A/R EMPLOYEE NRECA LOANS	0.00	0.00	0.00
0 143.15 ACCOUNTS RECEIVABLE OTHER - CEO/G	0.00	0.00	0.00
0 143.2 MISC ACCTS RECEIVABLE - SKYLINE LU	0.00	0.00	0.00
0 143.21 ACCTS RECEIVABLE - AIC CONTRACTS	15,321.12	35,021.05	19,699.93
0 143.3 ACCTS RECEIVABLE OTHER - GARKANE P	8,633.38	46,740.65	38,107.27
0 143.4 ACCTS RECEIVABLE - FIREPLACE & HEAT	0.00	0.00	0.00
0 143.9 CLEARING ACCOUNT VOID BAD CHECKS	0.00	0.00	0.00
Total for Line 21:	282,198.34	1,460,012.36	1,177,814.02
22. Renewable Energy Credits			
23. Material and Supplies - Electric & Other	0.00	0.00	0.00

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BALANCE SHEET FOR DEC 2013

	Last Year	This Year	Variance
23. Material and Supplies - Electric & Other			
0 154.0 MATERIALS & SUPPLIES	3,090,225.95	2,855,748.37	-234,477.58
0 155.0 MERCHANDISE	30,443.59	34,419.00	3,975.41
0 163.0 STORES EXPENSE UNDISTRIBUTED	0.00	0.00	0.00
Total for Line 23:	3,120,669.54	2,890,167.37	-230,502.17
24. Prepayments			
0 165.0 PREPAYMENTS	0.00	0.00	0.00
0 165.1 PREPAID INSURANCE	86,445.00	88,191.00	1,746.00
Total for Line 24:	86,445.00	88,191.00	1,746.00
25. Other Current and Accrued Assets			
0 171.0 INTEREST & DIVIDEND RECEIVABLES - C	6,346.16	6,346.16	0.00
0 171.1 INTEREST & DIVIDEND RECEIVABLE - OT	0.00	0.00	0.00
Total for Line 25:	6,346.16	6,346.16	0.00
26. Total Current and Accrued Assets (15 thru 25)	8,160,284.10	8,256,611.15	96,327.05
27. Deferred Debits			
0 183.0 PREM SURVEY & INVESTIGATION - MISC	0.00	0.00	0.00
0 183.01 PREM INVEST CHGS - LAKE POWELL PIPE	1,801.33	1,801.33	0.00
0 183.02 PRELIMINARY SUR & INVESTIGATION - W	3,116.25	6,560.17	3,443.92
0 183.03 PRELIMINARY COSTS - PANGUITCH CIT	554.68	554.68	0.00
0 183.04 PRELIMINARY INVESTIGATION - ARMAN	0.00	7,154.23	7,154.23
0 184.1 CLEARING ACCT. - TRANSPORTATION EX	0.00	0.00	0.00
0 184.11 CLEARING ACCT - PAYROLL DEDUCTION	0.00	0.00	0.00
0 184.12 CLEARING ACCT. - CASH FROM THE SALE	0.00	0.00	0.00
0 184.2 CLEARING ACCOUNT - EMPLOYEE HEALT	0.00	0.00	0.00
0 184.22 CLEARING ACCT - EMPLOYEES CONTR. 40	0.00	0.00	0.00
0 184.23 CLEARING ACCT - NRECA LOAN - EMPLO	0.00	0.00	0.00
0 184.24 CLEARING ACCT - EMPLOYEE MISC PAYR	0.00	0.00	0.00
0 184.25 CLEARING ACCT - CONNECT & COLLECTI	0.00	0.00	0.00
0 184.26 EMPLOYEE'S CONTR - NRECA SAVINGS	0.00	0.00	0.00
0 184.27 CLEARING ACCT - PAYROLL DEDUCT. CR	0.00	0.00	0.00
0 184.28 CLEARING ACCT. CONSUMER ACCTS REC	0.00	0.00	0.00
0 184.29 CLEARING ACCT - WHEELING REVENUE B	0.00	0.00	0.00
0 184.3 CLEARING ACCT - NRECA GROUP LIFE IN	0.00	0.00	0.00
0 184.31 CLEARING ACCT - HSA PAYROLL DEDUC	0.00	0.00	0.00
0 186.0 DEFERRED DEBITS - CAPITOL RESOURCE	0.00	0.00	0.00
0 186.01 DEFERRED COMPENSATION - CARL ALBR	0.00	0.00	0.00
0 186.1 DEFERRED DEBITS - PUBLIC UTILITY REG	0.00	0.00	0.00

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BALANCE SHEET FOR DEC 2013

	Last Year	This Year	Variance
27. Deferred Debits			
0 189.1 UNAMORTIZED LOSS ON REACQUIRED D	0.00	0.00	0.00
Total for Line 27:	5,472.26	16,070.41	10,598.15
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	73,181,209.66	77,469,253.71	4,288,044.05

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BALANCE SHEET FOR DEC 2013

LIABILITIES AND OTHER CREDITS

	Last Year	This Year	Variance
29. Memberships	0.00	0.00	0.00
30. Patronage Capital			
0 201.1 PATRON'S CAPITAL CREDITS	24,282,997.71	25,888,424.19	1,605,426.48
0 201.2 PATRONAGE CAPITAL ASSIGNABLE	2,652,650.73	3,457,824.87	805,174.14
Total for Line 30:	26,935,648.44	29,346,249.06	2,410,600.62
31. Operating Margins - Prior Years			
0 998.2 PROFIT CLEARING NON-OPERATING	-407,387.88	-558,317.20	-150,929.32
Total for Line 31:	-407,387.88	-558,317.20	-150,929.32
32. Operating Margins - Current Year			
0 998.1 PROFIT CLEARING OPERATING	-2,245,262.85	-2,899,507.67	-654,244.82
Current Fiscal Margins	2,245,262.85	2,899,507.67	654,244.82
Total for Line 32:	0.00	0.00	0.00
33. Non-Operating Margins			
0 219.1 OPERATING MARGINS	0.00	0.00	0.00
Current Fiscal Margins	407,387.88	558,317.20	150,929.32
Total for Line 33:	407,387.88	558,317.20	150,929.32
34. Other Margins and Equities			
0 208.1 DONATED CAPITAL	0.00	0.00	0.00
0 216.1 UNDISTRIBUTED SUBSIDIARY EARNINGS	805,246.00	1,013,721.00	208,475.00
0 217.0 RETIRED CAPITAL CREDITS - GAIN	0.00	0.00	0.00
0 219.2 NON-OPERATING MARGINS - SUBSIDIARY D	383,932.00	433,932.00	50,000.00
0 219.21 NONOPERATING MARGINS PRIOR YRS NO	4,291,277.66	4,841,860.35	550,582.69
0 219.4 OTHER MARGINS & EQUITIES - PRIOR	0.00	0.00	0.00
Total for Line 34:	5,480,455.66	6,289,513.35	809,057.69
35. Total Margins & Equities (29 thru 34)	32,416,104.10	35,635,762.41	3,219,658.31
36. Long-Term Debt - CFC (Net)			
0 123.21 OTHER INVESTMENTS - NRUCFC CAPITAL	0.00	0.00	0.00
0 224.11 OTHER LONG-TERM DEBT-SUBSCRIPT. CF	0.00	0.00	0.00
0 224.12 OTHER LONG-TERM DEBT - CFC	47,331,318.41	45,791,157.53	-1,540,160.88
0 224.13 CFC NOTES EXECUTED - DEBIT	-16,000,000.00	-14,000,000.00	2,000,000.00
0 224.14 OTHER LONG TERM DEBT - DG&T COMPR	0.00	0.00	0.00
0 224.15 CFC PRINCIPAL PAYMENTS - EXCESS AM	0.00	0.00	0.00
0 226.0 UNAMORTIZED DISCOUNT ON LONG-TER	0.00	0.00	0.00
Total for Line 36:	31,331,318.41	31,791,157.53	459,839.12

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BALANCE SHEET FOR DEC 2013

	Last Year	This Year	Variance
37. Long-Term Debt - Other (Net)			
0 224.0 OTHER LONG TERM DEBT - RUS GUARAN	0.00	0.00	0.00
0 224.01 OTHER LONG TERM DEBT - UNADV RUS G	0.00	0.00	0.00
0 224.16 LONG-TERM DEBT - RUS ECO DEV NOTES	0.00	0.00	0.00
0 224.3 LONG TERM DEBT - CONST. EXECUTED N	0.00	0.00	0.00
Total for Line 37:	0.00	0.00	0.00
38. Total Long-Term Debt (36 + 37)	31,331,318.41	31,791,157.53	459,839.12
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions			
0 228.29 ACCUM PROV FOR POST BENEFITS - RET	173,891.20	153,690.20	-20,201.00
0 228.3 ACCUMULATED PROV FOR PENSIONS & B	1,261,142.10	1,400,662.10	139,520.00
0 228.31 ACC PROV DEF COMP - CARL ALBRECHT	111,954.66	129,512.85	17,558.19
0 228.32 ACC PROV DEF COMP - STAN CHAPPELL	35,564.24	0.00	-35,564.24
0 228.33 ACC PROV DEF COMP - MARION CHAPPEL	29,565.67	39,533.61	9,967.94
0 228.34 ACC PROV DEF COMP - IRA M AVANT	2,540.50	9,049.77	6,509.27
Total for Line 40:	1,614,658.37	1,732,448.53	117,790.16
41. Total Other Noncurrent Liabilities (39 + 40)	1,614,658.37	1,732,448.53	117,790.16
42. Notes Payable	0.00	0.00	0.00
43. Accounts Payable			
0 232.1 ACCOUNTS PAYABLE - GENERAL	296,113.54	324,003.35	27,889.81
0 232.11 ACCOUNTS PAYABLE - OTHER	1,365,407.99	1,832,287.72	466,879.73
0 232.12 ACCOUNTS PAYABLE - UNCASHED GENE	50.00	5,353.66	5,303.66
0 232.13 ACCOUNTS PAYABLE OTHER - ROUNDUP	13,813.63	14,935.97	1,122.34
0 232.14 ACCOUNTS PAYABLE - VISION CARE FUN	0.00	0.00	0.00
0 232.15 ACCTS PAYABLE - UREA PAC FUND	0.00	0.00	0.00
0 232.16 A/P POST RET BENFITS - EMPLOYEES/DIR	78,293.90	39,440.90	-38,853.00
Total for Line 43:	1,753,679.06	2,216,021.60	462,342.54
44. Consumers Deposits			
0 235.0 CONSUMER DEPOSITS - ELECTRIC	667,215.26	691,549.91	24,334.65
0 235.1 HOME RENTAL DEPOSITS	450.00	450.00	0.00
Total for Line 44:	667,665.26	691,999.91	24,334.65
45. Current Maturities Long-Term Debt			
0 233.0 CURRENT MATURITIES LONG TERM DEBT	1,438,546.15	1,531,757.52	93,211.37
Total for Line 45:	1,438,546.15	1,531,757.52	93,211.37
46. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00

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BALANCE SHEET FOR DEC 2013

	Last Year	This Year	Variance
47. Current Maturities Capital Leases			
0 231.0 NOTES PAYABLE - D G & T - LPAC MEMBE	0.00	0.00	0.00
Total for Line 47:	0.00	0.00	0.00
48. Other Current and Accrued Liabilities			
0 236.1 ACCRUED PROPERTY TAXES	28,341.21	27,249.83	-1,091.38
0 236.2 ACCRUED FEDERAL UNEMPLOYMENT TA	29.94	96.14	66.20
0 236.3 ACCRUED FICA TAX	20,610.33	0.00	-20,610.33
0 236.4 ACCRUED STATE UNEMPLOYMENT TAX	101.52	157.08	55.56
0 236.47 ACCRUED MUNICIPAL ENERGY SALES TA	21,218.90	0.00	-21,218.90
0 236.49 ACCRUED KANAB CITY UTILITY GROSS R	0.00	0.00	0.00
0 236.5 ACCRUED UTAH STATE SALES TAX	64,756.00	0.00	-64,756.00
0 236.51 ACCRUED UTAH RESORT TAX PAYABLE	0.00	0.00	0.00
0 236.52 ACCRUED ARIZONA STATE SALES TAX	25,975.93	0.00	-25,975.93
0 236.53 ACCRUED MOHAVE CO UTILITY GROSS R	75,272.53	79,590.46	4,317.93
0 237.1 ACCRUED INTEREST R.E.A. CONST. LOAN	0.00	0.00	0.00
0 237.2 ACCRUED INTEREST NRUCFU LOAN	113,888.90	110,735.50	-3,153.40
0 237.3 ACCRUED INTEREST ON CONSUMER DEP	99,324.70	90,028.83	-9,295.87
0 238.1 PATRONAGE CAPITAL & PATRONAGE RE	126,685.27	177,150.64	50,465.37
0 238.11 PATRONAGE CAPITAL CREDITS RETIRED	45,981.37	42,359.30	-3,622.07
0 238.99 PATRONAGE CAP CREDITS RETIRED CLE	0.00	0.00	0.00
0 241.0 FEDERAL WITHHOLDING TAX	12,873.16	0.00	-12,873.16
0 241.1 STATE WITHHOLDING TAX	16,415.47	19,025.82	2,610.35
0 242.2 ACCRUED PAYROLL	0.00	0.00	0.00
0 242.3 EMPLOYEES ACCRUED PERSONAL LEAVE	1,053,265.56	1,092,928.95	39,663.39
0 242.31 ACCRUED LIABILITY FOR COMPENSATED	102,019.16	102,019.16	0.00
0 242.32 DONATED PERSONAL LEAVE BANK - SPE	3,613.24	2,076.42	-1,536.82
0 242.33 CURRENT LIABILITY - DEFERRED COMP	0.00	0.00	0.00
0 242.99 PAYROLL CLEARING ACCOUNT	0.00	3.20	3.20
Total for Line 48:	1,810,373.19	1,743,421.33	-66,951.86
	5,670,263.66	6,183,200.36	512,936.70
49. Total Current & Accrued Liabilities (42 thru 48)			
50. Deferred Credits			
0 253.0 OTHER DEFERED CRS-UNCLAIMED CAPT	137,433.92	120,566.54	-16,867.38
0 253.1 CONSUMER DONATION - WARM PROGRA	280.00	110.00	-170.00
0 253.2 DEFERRED CREDITS - IMPACT FEES UTAH	1,423,337.86	1,415,687.84	-7,650.02
0 253.3 DEFERRED CREDITS - IMPACT FEES ARIZ	69,114.40	126,569.80	57,455.40
0 257.0 UNAMORTIZED GAIN ON REACQUIRED D	518,698.94	463,750.70	-54,948.24
Total for Line 50:	2,148,865.12	2,126,684.88	-22,180.24

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BALANCE SHEET FOR DEC 2013

	Last Year	This Year	Variance
51. Total Liab. & Other Credits (35+38+41+49+50)	73,181,209.66	77,469,253.71	4,288,044.05

ATTACHMENT 8

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

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AUDITING STANDARDS

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Kimball & Roberts

A Professional Corporation
Certified Public Accountants
176 North Main • P.O. Box 663
Richfield, Utah 84701

INDEPENDENT AUDITOR'S REPORT

Garkane Energy Cooperative, Inc. and Subsidiary
P.O. Box 465
Loa, Utah 84747

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of the business-type activities of Garkane Energy Cooperative, Inc. and Subsidiary as of and for the year ended December 31, 2013, and the related statements of revenue and patronage capital and cash flows for the year then ended, which collectively comprise the Corporation's financial statements as listed in the table of contents. These financial statements are the responsibility of the Corporation's management. We did not audit the financial statements of Garkane Energy Cooperative, Inc. and Subsidiary for the year ended December 31, 2012. Those financial statements were audited by other auditors whose report thereon has been furnished to us. Our responsibility is to express an opinion on these financial statements based on our audit.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

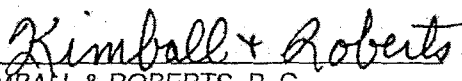
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of Garkane Energy Cooperative, Inc. and Subsidiary at December 31, 2013 and the respective changes in consolidated financial position and consolidated cash flows, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Garkane Energy Cooperative, Inc. and Subsidiary's basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 14, 2014, on our consideration of Garkane Energy Cooperative Inc. and Subsidiary's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Garkane Energy Cooperative Inc. and Subsidiary's internal control over financial reporting and compliance.


KIMBALL & ROBERTS, P. C.
Certified Public Accountant

February 14, 2014
Richfield, Utah

BASIC FINANCIAL STATEMENTS

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
December 31, 2013 and 2012

ASSETS	<u>2013</u>	<u>2012</u>
Utility Plant:		
Electric Plant in Service, At Cost	97,516,738	93,949,823
Construction Work-in-Progress	4,906,869	1,789,535
Total	102,423,607	95,739,358
Less: Accumulated Depreciation	(37,792,643)	(35,046,296)
Net Utility Plant	64,630,964	60,693,062
Property and Investments, At Cost:		
Non-Utility Property - Net	2,046,431	1,951,622
Investments in Associated Companies	1,758,281	1,708,044
Other Investments	315,379	330,873
Total Property and Investments, At Cost	4,120,091	3,990,539
Current Assets:		
Cash in Banks	2,423,262	3,422,403
Accounts Receivable	4,350,106	2,640,765
Allowance for Doubtful Accounts	(149,512)	(149,101)
Materials and Supplies (Average Cost)	2,919,253	3,220,908
Other Current Assets	188,598	140,685
Total Current Assets	9,731,707	9,275,660
TOTAL ASSETS	<u><u>78,482,762</u></u>	<u><u>73,959,261</u></u>
EQUITIES AND LIABILITIES		
Equities and Margins:		
Patrons Capital	35,635,762	32,416,106
Long-Term Debt:		
CFC Mortgage Notes	31,791,158	31,331,318
Other Noncurrent Liabilities:		
Accumulated Operating Provisions	1,881,316	1,724,788
Deferred Income Tax Liability (Propane)	441,865	412,897
Total Other Noncurrent Liabilities	2,323,181	2,137,685
Current Liabilities:		
Accounts Payable	2,542,220	1,868,251
Customer Deposits	707,536	683,602
Current Maturities of Long-Term Debt	1,531,758	1,438,546
Other Current and Accrued Liabilities	1,824,462	1,934,887
Total Current Liabilities	6,605,976	5,925,286
Deferred Credits	2,126,685	2,148,866
TOTAL EQUITIES AND LIABILITIES	<u><u>78,482,762</u></u>	<u><u>73,959,261</u></u>

The notes to the financial statements are an integral part of this statement.

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF REVENUE AND PATRONAGE CAPITAL
For the Years Ended December 31, 2013 and 2012

	2013	2012
Operating Revenues:		
Electricity Sales	23,638,000	22,053,574
Propane Sales	2,754,171	2,155,789
Total Operating Revenues	<u>26,392,171</u>	<u>24,209,363</u>
Operating Expenses:		
Power Production	533,418	361,547
Cost of Purchased Power	8,052,288	7,171,567
Cost of Propane Sales	1,728,084	1,426,939
Transmission Expenses	254,926	396,931
Distribution Expenses - Operation	829,486	837,597
Distribution Expenses - Maintenance	1,021,442	1,199,253
Consumer Accounts	820,564	807,052
Customer Service Informational Expense	90,363	91,126
Sales Expenses	24,262	11,567
Administrative and General Expense	4,930,058	4,661,158
Depreciation and Amortization Expense	2,917,614	2,782,004
Taxes	650,107	638,121
Interest on Long-Term Debt	1,330,259	1,413,272
Other Interest	19,770	26,968
Other Deductions	27,209	22,427
Total Operating Expenses and Interest	<u>23,229,850</u>	<u>21,847,529</u>
Net Operating Margins (Deficit)	<u>3,162,321</u>	<u>2,361,834</u>
Non-Operating Margins:		
Interest Income	43,403	38,187
Gain (Loss) on Disposition of Property	136,749	28,193
Amortized Gain On RUS Loan Discount	54,948	54,948
Amortized Gain From Impact Fees	307,949	272,163
Miscellaneous Non-Operating Income	6,819	13,638
Net Income From Other Operations	18,575	15,602
Total Non-Operating Margins	<u>568,443</u>	<u>422,731</u>
Other Capital Credits and Allocations	<u>133,633</u>	<u>131,849</u>
Net Income Before Taxes	3,864,397	2,916,414
Provision for Income Taxes	<u>(148,096)</u>	<u>(137,796)</u>
Net Margins for Period	3,716,301	2,778,618
Patronage Capital - Beginning of Year	32,416,106	30,132,725
Retirement of Capital Credits	<u>(496,645)</u>	<u>(495,237)</u>
Patronage Capital - End of Year	<u>35,635,762</u>	<u>32,416,106</u>

The notes to the financial statements are an integral part of this statement.

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
For The Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash Flows from Operating Activities:		
Net Margins	3,716,301	2,778,618
Adjustments to Reconcile Net Margins for Cash Flows:		
Depreciation and Amortization	2,917,614	2,782,004
Increase (Decrease) in Operating Assets:		
Accounts Receivable	(1,708,930)	543,082
Inventory	301,655	(132,457)
Other Current and Accrued Assets	(47,913)	(26,292)
Increase (Decrease) in Operating Liabilities:		
Customer Deposits	23,934	63,972
Accounts Payable	673,969	64,547
Accrued Liabilities	(110,425)	142,164
 Net Cash Provided By Operating Activities	 <u>5,766,205</u>	 <u>6,215,638</u>
 Cash Flows From Financing Activities:		
Deferred Credits	(22,181)	(101,558)
Deferred Tax Liability	28,968	83,786
Accumulated Operating Provisions	156,528	112,743
Patronage Retirements	(496,645)	(495,237)
Long-Term Borrowing	2,000,000	-
Principal Payments on Long-Term Debt	(1,446,948)	(387,069)
 Net Cash Used for Financing Activities	 <u>219,722</u>	 <u>(787,335)</u>
 Cash Flows From Investing Activities:		
Change in Property, Plant and Equipment	(6,950,325)	(3,961,463)
Investment in Associated Companies	(50,237)	(52,318)
Other Investments	15,494	(706)
 Net Cash Used in Investing Activities	 <u>(6,985,068)</u>	 <u>(4,014,487)</u>
 Increase (Decrease) in Cash and Investments	 (999,141)	 1,413,816
 Cash and Investments - Beginning of Year	 <u>3,422,403</u>	 <u>2,008,587</u>
 Cash and Investments - End of Year	 <u>2,423,262</u>	 <u>3,422,403</u>
 Supplemental Information for Statement of Cash Flows:		
Interest Paid	1,333,412	1,440,240
Income Tax Paid	117,884	12,737

The notes to the financial statements are an integral part of this statement.

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note describes various significant accounting policies related to Garkane Energy Cooperative, Inc. (Garkane) financial statement presentation. Some accounting policies are presented with the applicable note disclosure item.

Nature of Operations:

Garkane is a non-profit, cooperative association organized to provide retail electric service to residential and commercial accounts in a designated service area. Garkane provides electric service to south-central Utah and northern Arizona. Garkane's wholly owned subsidiary is Garkane Propane, Inc., which also provides propane service to south-central Utah and northern Arizona. Garkane Propane, Inc., is a Utah corporation subject to federal and state income taxes.

Reporting Entity:

In addition to Garkane's financial statements, the financial reports of Garkane include the financial statements of its wholly owned subsidiary, Garkane Propane, Inc. The financial statements are presented on a consolidated basis.

Consolidating Policy:

Garkane's financial statements include a wholly owned subsidiary, Garkane Propane, Inc. The subsidiary follows the same reporting method and year-end. Inter-entity balances and transactions have been eliminated. The Subsidiary's condensed financial statements and description of the consolidation are included in these notes.

Basis of Accounting and System of Accounts:

The accompanying financial statements have been prepared using the accrual basis of accounting. Garkane's accounting records are maintained in accordance with the Uniform System of Accounts as prescribed by the Federal Energy Regulatory Commission.

Electric Plant, Maintenance and Depreciation:

The electric plant is stated at the original cost of construction which includes the cost of contracted services, direct labor, materials and overhead items less contribution from others toward the construction of the electric plant. All additions and retirements of the plant are recorded by means of job orders. Provision is made for depreciation on a straight-line basis. The Public Service Commission of the state wherein the property is located is informed of the depreciation rates used (see note 5 for depreciation detail).

When property which represents a retirement unit is replaced or removed, the average cost of such property as determined from the continuing property records is credited to the electric plant and such cost, together with costs of removal less salvage is charged to the accumulated provision for depreciation.

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
Continued

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Maintenance and repairs, including the renewal of minor items of plant not comprising a retirement unit, are charged to the appropriate maintenance accounts, except that repairs of transportation and service equipment are charged to clearing accounts and redistributed to operation expenses and other accounts.

Electric Revenues:

Operating revenues are generated through rates established by Garkane's Board of Directors. Electric revenue is recorded as it is billed to customers on a cyclical monthly basis. Large power users are billed at month-end. Revenue related to power delivered to residential users which are on prior to month-end billing cycles but not billed at month-end is not material and is not accrued.

Trade Receivables and Allowance for Doubtful Accounts:

Customer billing statements are mailed monthly. Customer bills are due 30 days following the billing date. Meter disconnection begins for customers two months overdue. Delinquent balances of disconnected customers are tracked separately. Collection agencies are used to increase collection efforts. Customer balances are retained in case of customer reconnection, etc.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions regarding the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Cash and Cash Equivalents:

For purposes of the Statement of Cash Flows, all highly liquid debt instruments purchased with a maturity of three months or less or which are subject to demand liquidation are considered to be cash equivalents.

Inventory:

Materials held in inventory are accounted for using the moving average cost method which is not in excess of market. Obsolete inventory items are written off as considered necessary.

Income Tax:

Garkane is a regulated, non-profit Cooperative that is exempt from federal and state income taxes. Garkane pays property taxes as required by local laws. The subsidiary, Garkane Propane, Inc., is a taxable entity subject to federal and state income taxes.

Sales Tax:

Revenues are reported in the income statement net of sales tax.

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
Continued

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Date of Subsequent Event Evaluation:

Garkane's subsequent events have been evaluated through the date of financial issuance of February 14, 2014.

NOTE 2 - PATRONAGE CAPITAL

Garkane is a non-stock cooperative organized to provide electric energy to its patrons. All revenues from the sale of electric energy which exceed the costs of providing such energy are considered capital contributions and are credited to patrons capital accounts based upon their total patronage. Margins received from sale of goods or services other than electric energy are non-operating margins and are credited to patron accounts at the discretion of the board according to Association by-laws. Operating losses are not allocated to patrons. These capital accounts are payable to patrons or their successors only at the discretion of the Board of Directors with permission of the regulatory bodies, provided, however, that the financial condition of the Association is not impaired.

	<u>2013</u>	<u>2012</u>
Patronage Capital, Beginning of Year	32,416,106	30,132,725
Additions:		
Operating margins (losses)	3,162,321	2,361,834
Other Capital Credits	133,633	129,555
Nonoperating Margins	568,443	425,025
Deductions:		
Retirement of Patronage	(496,644)	(495,237)
Provision for Income Taxes	<u>(148,096)</u>	<u>(137,796)</u>
Patronage Capital, End of Year	<u>35,635,762</u>	<u>32,416,106</u>

Under the provisions of the Mortgage Agreement, the equities and margins must equal or exceed 20% of the total assets of the cooperative before the return to patrons of capital contributed by them can be distributed. In addition, any distribution is generally limited to thirty percent of the patronage capital or margins received by Garkane in the prior calendar year. The equities and margins of Garkane approximate 45.41% for 2013 and 43.82% for 2012 of the total assets at balance sheet date.

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
Continued

NOTE 3 - INVESTMENT IN ASSOCIATED COMPANIES

Investments in the associated companies include the following notes receivable:

	<u>% Earnings</u>	<u>Maturity</u>	<u>2013</u>	<u>2012</u>
Patronage Capital Credits - CFC	0.0	Varies	679,873	622,440
Capital Term Certificates - CFC	0.0 - 5.0	2080	1,027,408	1,034,604
Class A Membership - CFC	5.0	2070	1,000	1,000
Member Capital Securities - CFC	7.5	2044	50,000	50,000
Total			<u>1,758,281</u>	<u>1,708,044</u>

NOTE 4 - ELECTRIC PLANT AND DEPRECIATION PROCEDURES

Depreciation is calculated on a straight-line basis using the rates disclosed below. Major classes of electric plant at December 31, 2013 and 2012 are as follows:

	<u>2013</u>	<u>2012</u>
Production Plant	7,013,251	7,013,251
Transmission Plant	20,102,341	20,010,808
Distribution Plant	56,457,294	53,657,565
General Plant	13,943,852	13,268,200
Total Electric Plant in Service	97,516,738	93,949,824
Construction Work-in-Progress	4,906,869	1,789,535
Total	<u>102,423,607</u>	<u>95,739,359</u>
Accumulated Depreciation	37,792,643	35,046,296
Annual Depreciation	2,821,804	2,782,004

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
Continued

NOTE 4 - ELECTRIC PLANT AND DEPRECIATION PROCEDURES (CONTINUED)

Provision has been made for depreciation of the classified plant in service on a straight-line basis as follows:

Depreciation - Hydraulic Production Plant	*2.00 - 3.79
Depreciation - Transmission Plant	*2.70
Depreciation - Distribution Plant	*2.00 - 4.10
General Plant:	
Structures and Improvements	3.30
Office Furniture and Fixtures	10.00
Transportation Equipment	14.25
Stores Equipment	10.00
Tools, Shop and Garage Equipment	10.00
Laboratory Equipment	10.00
Power Operated Equipment	12.00
Communication Equipment	10.00
Miscellaneous Equipment	10.00
Depreciation - Non-Utility Propane Plant	2.00 - 10.00

NOTE 5 - OTHER INVESTMENTS

Garkane has the following other investments:

	<u>2013</u>	<u>2012</u>
Deferred Compensation - Homestead Funds	178,096	179,625
Zions Bank - WARM Fund	122,967	137,434
Operation Round-Up®	<u>14,316</u>	<u>13,814</u>
Total Other Investments	<u><u>315,379</u></u>	<u><u>330,873</u></u>

NOTE 6 - DEPOSITS AND INVESTMENTS

Deposits and investments of Garkane have various levels of risk, insurance, collateral, etc. The following summarizes Garkane's deposits and investments.

	<u>2013</u>	<u>2012</u>
Demand Deposits	2,421,662	3,422,053
Petty Cash	<u>1,600</u>	<u>350</u>
Total Cash and Investments	<u><u>2,423,262</u></u>	<u><u>3,422,403</u></u>
Balance Sheet Presentation:		
Current Assets, Cash	<u><u>2,423,262</u></u>	<u><u>3,422,403</u></u>

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
Continued

NOTE 6 - DEPOSITS AND INVESTMENTS (CONTINUED)

All cash and temporary cash investments may be liquidated on demand. Cash and cash equivalents consist of cash on hand and in checking accounts, repurchase agreement (sweep) accounts, certificates of deposit, and money market funds. The carrying amounts for cash and cash equivalents, which amount to approximate fair market value, were \$2,423,262 at December 31, 2013 and \$3,422,403 at December 31, 2012. Significant concentrations of deposits exceed federally insured deposit limits. The repurchase agreements hold highly rated bonds, governments securities, etc. for the collateral on those accounts.

NOTE 7 - DEFERRED CREDITS

The following is a summary of deferred credits as of December 31, 2013 and 2012.

	<u>2013</u>	<u>2012</u>
WARM Program - Uncashed Capital Credit Checks	120,566	137,434
WARM Program - Customer Donations	110	280
Unamortized Impact Fees	1,542,258	1,492,453
Unamortized Gain on Reacquired Debt	463,751	518,699
	<u>2,126,685</u>	<u>2,148,866</u>

NOTE 8 - LONG TERM DEBT

Garkane has 34 mortgage notes with the National Rural Utilities Cooperative Finance Corporation (CFC). These notes are fixed or variable interest rates with maturity dates ranging from year 2013 to 2043. Current year-end interest rates range between 3.20% and 6.11%. Payments to service debt obligations are made quarterly. Substantially all assets are pledged as security for long-term debt to CFC. Garkane has an agreement with the United States Department of Agriculture Division of Rural Utility Services to guarantee the debt.

	<u>Balance Dec 31, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Dec 31, 2013</u>	<u>Current Portion</u>
32 CFC Notes	<u>32,769,864</u>	<u>2,000,000</u>	<u>1,446,948</u>	<u>33,322,916</u>	<u>1,531,758</u>

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
Continued

NOTE 8 - LONG TERM DEBT (CONTINUED)

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	1,531,758	1,465,352	2,997,110
2015	1,571,770	1,397,226	2,968,996
2016	1,600,333	1,329,737	2,930,070
2017	1,568,624	1,260,718	2,829,342
2018	1,597,784	1,191,633	2,789,417
2019-2023	7,889,716	4,878,519	12,768,235
2024-2028	6,894,814	3,244,068	10,138,882
2029-2033	6,640,772	1,660,335	8,301,107
2034-2037	3,590,369	395,377	3,985,746
2038-2043	436,976	28,416	465,392
Total	<u>33,322,916</u>	<u>16,851,381</u>	<u>50,174,297</u>

Garkane has a line of credit with CFC. The authorized amount was \$5,000,000 at December 31, 2013 and 2012. As of December 31, 2013, the balance owed on the credit line was \$0.00 at December 31, 2013 and 2012. Applicable interest rates are charged on the current line of credit when advanced to Garkane. In addition to the line of credit mentioned above, Garkane has \$14,000,000 of unadvanced loan funds available from CFC at year-end.

NOTE 9 - PENSION AND POSTRETIREMENT BENEFITS

Garkane provides pension and postretirement benefits to its employees. Retirement and insurance benefits are provided through NRECA Retirement Program for all full-time employees 21 years of age or older with at least one year of employment with the Association. There are two types of pension plans and a postretirement health care benefit plan.

a. Defined Benefit Retirement Plan

Pension benefits are provided through the National Rural Electric Cooperative Association's (NRECA) multi-employer defined benefit pension plan, designed to provide employees a certain benefit level upon retirement. In this multi-employer plan, a "zone status" determination is not required, and therefore not determined, under the Pension Protection Act (PPA) of 2006. In addition, the accumulated benefit obligations and the Plan assets are not determined or allocated separately by individual employer. Because the provision of the PPA does not apply to the Plan, funding improvement plans and surcharges are not applicable. Future contribution requirements are determined each year as part of the actuarial valuation of the Plan and may change as a result of Plan experience. The benefit level for 2013 was 1.7% multiplied by the highest five years salary average multiplied by the years of service. Employees hired after December 1, 2012 have a benefit level of 1.5%.

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
Continued

NOTE 9 - PENSION AND POSTRETIREMENT BENEFITS (CONTINUED)

Garkane recognized expense related to the Plan in 2013 and 2012 of \$1,027,653 and \$761,651, respectively, representing full service costs. All past service costs have been fully funded or accrued. The expected contribution for the year 2014 reflecting inflation is \$952,000. Expected contribution amounts beyond 2014 are not available.

b. Defined Contribution Plan

Garkane's has three provisions for retirement depending on the employee's years of employment. Garkane employees with at least one year of employment, participate in a contributory NRECA savings plan to which Garkane contributed 0.92% of base salary, with a 0.00% match. New employees, hired after December 1, 2012 receive a 2.0% of base salary and a 3.0% match of the base salary after one year of employment (no new employees qualified for this match in 2013). New employees receive 2.0% of base contribution into a savings account for the first year of employment. Expenses related to these plans for 2013 and 2012 were \$45,111 and \$160,772, respectfully.

c. Personal Leave

Garkane combined sick leave, vacation leave, and holiday pay into one category entitled personal leave. The accumulated personal leave maximum account balance is 800 hours. Upon termination or retirement Garkane will pay 100% of the unused amount of the accrued liability at the employee's current wage rate. In the event of death, 100% of the unused amount will be paid to the designated beneficiaries of the employee. During the month of January employees can elect to sell back to Garkane 50% of their unused leave up to 100 hours. Employees can contribute the sell-back amount to their 401K, HSA account, or any combination including cash. The amount of sell-back related to this plan was \$99,250 in 2013 and \$108,474 in 2012. Accrued personal leave and compensated absences for years ending December 31, 2013 and 2012 are \$2,243,255 and \$1,196,903, respectively.

d. Defined Benefit Postretirement Medical Insurance Plan

Garkane sponsors a defined benefit postretirement plan covering both salaried and non-salaried employees. The plan provides health care benefits for employees for 42 months. A 2.0% trend for health care benefits costs is assumed. Garkane has elected to pay the benefits as they come due and will not fund the projected liability. However, Garkane has accrued the estimated liability for December 31, 2013 at \$1,749,200 and December 31, 2012 at \$1,627,632.

e. Deferred Compensation

Employees that meet requirements will receive deferred compensation. Garkane has accrued \$17,218 in 2013 and \$7,875 in 2012. The overall deferred compensation accrual for years ending December 31, 2013 and 2012 are \$178,096 and \$179,625, respectively.

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
Continued

NOTE 10 - COMMITMENTS

a. Deseret Power

Under its current wholesale power contract, Garkane is committed to purchase all of its electric power requirements from Deseret Generation and Transmission Cooperative (Deseret) under the terms and conditions of the Deseret Obligations Restructuring Agreement (ORA) dated October 16, 1996. Garkane still retains ownership of its Western Area Power Administration (WAPA) contract. This contract was assigned to Deseret in 2001 but can be taken back on a thirty day notice. Garkane retains ownership in its own hydro-generation facilities; however, Deseret includes these two resources in their total resource pool. Deseret then credits Garkane for these two sources on Garkane's bill from the gross amount purchased from Deseret under the terms and conditions of Rate Schedule A as contained in the Resource Integration Agreement between Deseret and Garkane effective April 1, 1996, and the Wholesale Power Contract effective April 1, 1996.

b. Intermountain Power Agency Agreement

Under the terms of the power sales contract with the Intermountain Power Agency (IPA), the Association has contracted to receive up to a 1.267% share of the total power output from the Intermountain Power Project (IPP) and has joined with other Utah municipal and cooperative electric suppliers and entered into a joint contract with various California Cities (Burbank, Glendale, Pasadena, and Los Angeles) to purchase the excess power not used by the Utah suppliers. Deseret Power also has the right to withdraw the member allocation or portion thereof, if necessary, in providing power needs to the member. The Association would be responsible, in the event of a shutdown of the IPP plant, for 1.267% of the debt service associated with the plant as well as 1.267% of the maintenance of the facility. This responsibility would be effective two years after such a shutdown.

NOTE 11 - RISK MANAGEMENT

Garkane is exposed to various risks of loss related to torts; theft or damage to assets; errors and omissions; injuries to employees and natural disasters. The Company addresses these risks with insurance. The Federated Rural Electric Insurance Corporation insures for general, automobile, personal injury, errors or omissions, directors, officers, and manager liabilities up to \$10,000,000 per occurrence. An all risk blanket policy for automobile and general liability of \$2,000,000 and a commercial umbrella policy of \$7,000,000 are maintained. Garkane also maintains an all risk blanket for buildings and personal property. Worker's Compensation Fund of Utah insures Garkane for bodily injury by accident or disease caused by or aggravated by the conditions of employment.

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
 Continued

NOTE 12 - CURRENT LIABILITIES

Current liabilities at year-end consist of the following categories.

	<u>2013</u>	<u>2012</u>
Accounts Payable	603,647	502,843
Accounts Payable - Purchased Power	1,832,289	1,365,408
Property Taxes	27,249	28,341
Payroll Taxes	25,990	60,252
Sales, Use and Franchise Taxes	202,824	195,685
Compensated Absences	1,243,255	1,202,730
Patronage Capital Refunds	219,510	172,666
Federal and State Income Taxes	11,155	62,000
Interest Payable	200,763	213,213
Total	<u>4,366,682</u>	<u>3,803,138</u>

NOTE 13 - ACCUMULATED OPERATING PROVISIONS

Accumulated non-current liabilities at year-end consist of the following categories.

	<u>2013</u>	<u>2012</u>
Postretirement Benefits	1,703,220	1,545,163
Deferred Compensation	178,096	179,625
Total	<u>1,881,316</u>	<u>1,724,788</u>

NOTE 14 - GARKANE PROPANE, INC. SUBSIDIARY OF GARKANE ENERGY COOPERATIVE

Garkane Propane, Inc. is a wholly owned for profit subsidiary of Garkane Energy Cooperative, Inc. Garkane Propane, Inc. was organized under the laws of the State of Utah on November 8, 2002, and business began on January 1, 2003. The Company has five full-time employees. Their office and operations are located in Hatch, Utah.

On December 16, 2002, a Services Agreement, Subscription Agreement, Lease Agreement, Security Agreement, Revolving Credit Agreement and Promissory Note were approved and executed by Garkane Energy Cooperative, Inc.'s Board of Directors and the Board of Directors of Garkane Propane, Inc.

Upon creation of Garkane Propane, Inc., assets were then transferred from Garkane Energy to Garkane Propane. A schedule of assets transferred to the subsidiary as of January 1, 2003, referred to as Exhibit A of the Subscription Agreement, had a book value of \$1,530,864 and liabilities of \$52,636. These assets and liabilities were transferred for 750 shares of Garkane Propane, Inc. stock. The stock certificate is on file with Garkane Energy.

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
Continued

NOTE 14 - GARKANE PROPANE, INC. (CONTINUED)

The Services Agreement calls for various administrative services (accounting, management, etc.) to be performed by Garkane Energy at a cost of \$2,000 per month. The Lease Agreement calls for Garkane Propane to pay Garkane Energy \$2,500 per month for rented facilities.

The following are changes to the Garkane Propane's investment and condensed financial statements.

<u>CHANGES IN INVESTMENT IN SUBSIDIARY</u>	<u>2013</u>	<u>2012</u>
Investment in Subsidiary, Beginning of Year	2,283,475	2,192,668
Additions:		
Net profit from subsidiary operations	258,475	140,807
Deductions:		
Dividend paid to parent company	<u>(50,000)</u>	<u>(50,000)</u>
Investment in Subsidiary, End of Year	<u>2,491,950</u>	<u>2,283,475</u>

<u>BALANCE SHEET</u>	<u>2013</u>	<u>2012</u>
Assets:		
Current Assets	1,459,027	1,109,904
Net Property, Plant and Equipment	<u>2,046,431</u>	<u>1,951,622</u>
Total Assets	<u>3,505,458</u>	<u>3,061,526</u>
Liabilities and Stockholders Equity:		
Liabilities:		
Current Liabilities	864,641	250,849
Noncurrent Liabilities	148,867	114,305
Deferred Income Tax Liability	<u>-</u>	<u>412,897</u>
Total Liabilities	<u>1,013,508</u>	<u>778,051</u>
Stockholders Equity:		
Capital Stock	1,478,229	1,478,229
Retained Earnings	<u>1,013,721</u>	<u>805,246</u>
Total Stockholders Equity	<u>2,491,950</u>	<u>2,283,475</u>
Total Liabilities and Stockholders Equity	<u>3,505,458</u>	<u>3,061,526</u>

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
Continued

NOTE 14 - GARKANE PROPANE, INC. (CONTINUED)

<u>STATEMENT OF INCOME AND RETAINED EARNINGS</u>	<u>2013</u>	<u>2012</u>
Operating Income	2,754,171	2,239,340
Cost of Sales	<u>-</u>	<u>(1,456,491)</u>
Gross Profit	<u>2,754,171</u>	<u>782,849</u>
Operating Expenses	(588,653)	(508,247)
Non-Operating Income (Expense)	3,307	4,000
Provision for Federal Income Taxes	<u>(148,096)</u>	<u>(137,795)</u>
Total Expenses	<u>(733,442)</u>	<u>(642,042)</u>
Net Profit	258,475	140,807
Retained Earnings - Beginning of Year	805,247	714,439
Dividends Paid	<u>(50,000)</u>	<u>(50,000)</u>
Retained Earnings - End of Year	<u>1,013,722</u>	<u>805,246</u>

NOTE 15 - ROUNDING CONVENTION

A rounding convention to the nearest whole dollar has been applied throughout this report, therefore the precision displayed in any monetary amount is plus or minus \$1. These financial statements are computer generated and the rounding convention is applied to each amount displayed in a column, whether detail item or total. As a result, without the overhead cost of manually balancing each column, the sum of displayed amounts in a column may not equal the total displayed. The maximum difference between any displayed number or total and its actual value will not be more than \$1.

COMBINING FINANCIAL STATEMENTS AND SCHEDULES

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
COMBINING BALANCE SHEET
December 31, 2013

	Garkane Energy	Subsidiary Garkane Propane	Consolidated	Eliminations		Consolidated After Eliminations
				DR	CR	
ASSETS						
Utility Plant:						
Electric Plant in Service, at Cost	97,516,738	-	97,516,738	-	-	97,516,738
Construction Work-in-Progress	4,906,869	-	4,906,869	-	-	4,906,869
Total Utility Plant, at Cost	102,423,607	-	102,423,607	-	-	102,423,607
Less: Accumulated Depreciation	(37,792,643)	-	(37,792,643)	-	-	(37,792,643)
Total Utility Plant - Net	64,630,964	-	64,630,964	-	-	64,630,964
Property and Investments (At Cost):						
Investment in Wholly Owned Subsidiary	2,491,950	-	2,491,950	-	2,491,950 A	-
Non-Utility Property - Net	-	2,046,431	2,046,431	-	-	2,046,431
Investments in Associated Companies	1,758,281	-	1,758,281	-	-	1,758,281
Other Investments	315,379	-	315,379	-	-	315,379
Total Property and Investments, at Cost	4,565,610	2,046,431	6,612,041	-	2,491,950	4,120,091
Current Assets:						
Cash in Banks	1,574,041	849,221	2,423,262	-	-	2,423,262
Accounts Receivable	3,793,037	557,069	4,350,106	-	-	4,350,106
Allowance for doubtful accounts	(95,172)	(54,340)	(149,512)	-	-	(149,512)
Materials and Supplies	2,890,167	29,086	2,919,253	-	-	2,919,253
Other Current Assets	110,607	77,991	188,598	-	-	188,598
Total Current Assets	8,272,680	1,459,027	9,731,707	-	-	9,731,707
TOTAL ASSETS	77,469,254	3,505,458	80,974,712	-	2,491,950	78,482,762
EQUITIES AND LIABILITIES						
Equities and Margins:						
Patronage Capital	25,888,424	-	25,888,424	2,491,950 A	-	23,396,474
Current Operating Margin	3,457,825	-	3,457,825	-	-	3,457,825
Accumulated Non-Operating Margins	6,289,513	2,491,950	8,781,463	-	-	8,781,463
Total Equities and Margins	35,635,762	2,491,950	38,127,712	2,491,950	-	35,635,762
Long-Term Liabilities:						
RUS and CFC Mortgage Notes	31,791,158	-	31,791,158	-	-	31,791,158
Other Noncurrent Liabilities:						
Accumulated Operating Provisions	1,732,449	148,867	1,881,316	-	-	1,881,316
Deferred Income Tax Liability	-	441,865	441,865	-	-	441,865
Total Other Noncurrent Liabilities	1,732,449	590,732	2,323,181	-	-	2,323,181
Current Liabilities:						
Accounts Payable	2,216,021	326,199	2,542,220	-	-	2,542,220
Customer Deposits	692,000	15,536	707,536	-	-	707,536
Current Maturities of Long-Term Debt	1,531,758	-	1,531,758	-	-	1,531,758
Other Current and Accrued Liabilities	1,743,421	81,041	1,824,462	-	-	1,824,462
Total Current Liabilities	6,183,200	422,776	6,605,976	-	-	6,605,976
Deferred Credits	2,126,685	-	2,126,685	-	-	2,126,685
TOTAL EQUITIES AND LIABILITIES	77,469,254	3,505,458	80,974,712	2,491,950	-	78,482,762
	<u>2,491,950</u>					

A - Eliminate inter-company accounts

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
COMBINING STATEMENT OF REVENUE AND PATRONAGE CAPITAL
For the Year Ended December 31, 2013

	Garkane Energy	Subsidiary Garkane Propane	Consolidated	Eliminations		Consolidated After Eliminations
				DR	CR	
Operating Revenue and Patronage Capital	23,726,169	2,754,171	26,480,340	88,169 (1)	-	26,392,171
Operating Expenses:						
Power Production	533,418	-	533,418	-	-	533,418
Cost of Purchased Power	8,052,288	-	8,052,288	-	-	8,052,288
Cost of Propane Sales	-	1,762,253	1,762,253	-	34,169 (1)	1,728,084
Transmission Expenses	254,926	-	254,926	-	-	254,926
Distribution Expenses - Operation	829,486	-	829,486	-	-	829,486
Distribution Expenses - Maintenance	1,021,442	-	1,021,442	-	-	1,021,442
Consumer Accounts	820,564	-	820,564	-	-	820,564
Customer Service Informational Expense	90,363	-	90,363	-	-	90,363
Sales Expenses	24,262	-	24,262	-	-	24,262
Administrative and General Expense	4,518,598	465,460	4,984,058	-	54,000 (1)	4,930,058
Depreciation and Amortization Expense	2,821,804	95,810	2,917,614	-	-	2,917,614
Taxes	622,724	27,383	650,107	-	-	650,107
Interest on Long-Term Debt	1,330,259	-	1,330,259	-	-	1,330,259
Other Interest	19,770	-	19,770	-	-	19,770
Other Deductions	27,209	-	27,209	-	-	27,209
Total Operating Expenses and Interest	20,967,113	2,350,906	23,318,019	-	88,169	23,229,850
Net Operating Margins (Deficit)	2,759,056	403,265	3,162,321	88,169	(88,169)	3,162,321
Non-Operating Margins:						
Interest Income	41,437	1,966	43,403	-	-	43,403
Gain (Loss) on Disposition of Property	135,408	1,341	136,749	-	-	136,749
Amortized Gain on RUS Loan Discount	54,948	-	54,948	-	-	54,948
Amortized Gain from Impact Fees	307,949	-	307,949	-	-	307,949
Miscellaneous Non-Operating Income	6,819	-	6,819	-	-	6,819
Net Income From Municipal Operations	18,575	-	18,575	-	-	18,575
Total Non-Operating Margins	565,136	3,307	568,443	-	-	568,443
Other Capital Credits and Allocations	133,633	-	133,633	-	-	133,633
Net Income Before Taxes	3,457,825	406,572	3,864,397	88,169	(88,169)	3,864,397
Provision for Federal Income Taxes	-	(148,096)	(148,096)	-	-	(148,096)
Net Income for Period	3,457,825	258,476	3,716,301	88,169	(88,169)	3,716,301
Patronage Capital - Beginning of Year	32,416,106	805,246	33,221,352	-	-	33,221,352
Earnings from Subsidiary	258,475	-	258,475	-	-	258,475
Dividends from Subsidiary	-	(50,000)	(50,000)	-	-	(50,000)
Retirement of Capital Credits	(496,644)	-	(496,644)	-	-	(496,644)
Eliminate Subsidiary Retained Earnings	-	-	-	-	-	(1,013,722)
Patronage Capital - End of Year	35,635,762	1,013,722	36,649,484	-	-	35,635,762

(1) Sales of Propane to Parent	34,169
Lease Payments to Parent	30,000
Administrative Fee	24,000
Total	88,169

GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY
COMBINING STATEMENT OF CASH FLOWS
For The Year Ended December 31, 2013

	Garkane Energy	Subsidiary Garkane Propane	Consolidated
Cash Flows from Operating Activities:			
Net Margins	3,457,825	258,476	3,716,301
Adjustments to Net Margin for Cash Flow:			
Depreciation and Amortization	2,821,804	95,810	2,917,614
Increase (Decrease) in Operating Assets:			
Accounts Receivable	(1,458,461)	(250,472)	(1,708,933)
Inventory	230,503	71,152	301,655
Other Current and Accrued Assets	(12,344)	(35,569)	(47,913)
Increase (Decrease) in Operating Liabilities			
Customer Deposits	24,334	-	24,334
Accounts Payable	462,342	211,627	673,969
Accrued Liabilities	(66,952)	(39,700)	(106,652)
Net Cash Provided By Operating Activities	<u>5,459,051</u>	<u>311,324</u>	<u>5,770,375</u>
Cash Flows from Noncapital Financing Activities:			
Increase (Decrease) in Deferred Credits	(22,181)	-	(22,181)
Increase (Decrease) in Deferred Tax Liability	-	28,968	28,968
Increase (Decrease) in Accumulated Operating Provisions	117,791	34,561	152,352
Net Cash Provided By Noncapital Financing Activities	<u>95,610</u>	<u>63,529</u>	<u>159,139</u>
Cash Flows From Capital and Related Financing Activities:			
Subsidiary Earnings and Dividends	50,000	(50,000)	-
Long-Term Borrowing	2,000,000	-	2,000,000
Patronage Retirements	(496,644)	-	(496,644)
Principal Payments on Long-Term Debt	(1,446,949)	-	(1,446,949)
Net Cash Used for Capital and Related Financing Activities	<u>106,407</u>	<u>(50,000)</u>	<u>56,407</u>
Cash Flows From Investing Activities:			
Increase in Property, Plant and Equipment	(6,759,704)	(190,615)	(6,950,319)
Investments in Associated Companies	(50,237)	-	(50,237)
(Increase) Decrease in Other Investments	15,494	-	15,494
Net Cash Used in Investing Activities	<u>(6,794,447)</u>	<u>(190,615)</u>	<u>(6,985,062)</u>
Increase (Decrease) in Cash and Investments	<u>(1,133,379)</u>	<u>134,238</u>	<u>(999,141)</u>
Cash and Investments - Beginning of Year	<u>2,707,420</u>	<u>714,983</u>	<u>3,422,403</u>
Cash and Investments - End of Year	<u><u>1,574,041</u></u>	<u><u>849,221</u></u>	<u><u>2,423,262</u></u>
Supplemental Information for Statement of Cash Flows:			
Interest Paid	1,333,412	-	1,333,412
Income Taxes Paid	-	117,884	117,884

COMPLIANCE SECTION

Kimball & Roberts

A Professional Corporation
Certified Public Accountants
176 North Main • P.O. Box 663
Richfield, Utah 84701

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Garkane Energy Cooperative, Inc. and Subsidiary
P. O. Box 465
Loa, Utah 84747

We have audited, in accordance with the auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Garkane Energy Cooperative, Inc. and Subsidiary, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise Garkane Energy Cooperative, Inc. and Subsidiary's financial statements, and have issued our report thereon dated February 14, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Garkane Energy Cooperative, Inc. and Subsidiary's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Garkane Energy Cooperative, Inc. and Subsidiary's internal control. Accordingly, we do not express an opinion on the effectiveness of Garkane Energy Cooperative, Inc. and Subsidiary's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Garkane Energy Cooperative, Inc. and Subsidiary
Loa, Utah 84747
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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Garkane Energy Cooperative, Inc. and Subsidiary's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


KIMBALL & ROBERTS, P. C.
Certified Public Accountants

February 14, 2014
Richfield, Utah